

# The National Underwriter

## LIFE INSURANCE EDITION

Twenty-Ninth Year No. 20

CHICAGO, CINCINNATI AND NEW YORK, FRIDAY, MAY 15, 1925

\$3.00 Per Year, 15 Cents a Copy

### FIRST QUARTER DEATH RATIO IS FAVORABLE

**Metropolitan Life Figures Show Ratio Is the Lowest on Record**

### DECLINE IN TUBERCULOSIS

**Diabetes Situation Not As Favorable As Year Ago When Effects of Insulin Were Evident**

Health conditions among the industrial populations of the United States and Canada were never so favorable during the first quarter of any year as they have been during that period of 1925. This is clearly indicated by the death rate among more than 16,000,000 industrial policyholders of the Metropolitan Life according to figures published in the April "Statistical Bulletin" of that company. The death rate for that period was 9.9 per 1,000.

The improvement in 1925 as compared with the winter months of 1924 is confined, however, to the white policyholders. Among the colored, the mortality exceeded slightly the figure for last year.

#### Many Diseases Improve

The most important item is the further decline in the tuberculosis rate among both the white and colored policyholders. The figures for these industrial policyholders are rapidly approaching those for the general population, which, only 14 years ago were only about half as high. The four principal communicable diseases of childhood likewise showed marked improvement without a single exception. Diphtheria, which causes almost as many deaths as the other three combined, dropped 31 percent, as compared with last year. Measles, scarlet fever and whooping cough registered substantial declines.

Other diseases for which the record is better are cancer, cerebral hemorrhage, pneumonia, puerperal conditions and accidents. Heart diseases and influenza showed higher rates than a year ago. Suicides have been more frequent this year than last, and more homicides have occurred among the white policyholders.

#### Diabetes Situation

The diabetes situation is not as favorable as it was a few months ago. In the first part of 1924, there was recorded a marked drop in the diabetes death rate coincident with the more general use of insulin. This drop followed a period in which the mortality from that disease had been showing a rising tendency. Beginning with July, 1924, however, the disease began to register higher death rates than were recorded during the corresponding months of 1923. This has continued during most of the succeeding months. During the first quarter of 1925 there was recorded a slight increase in the di-

### KRUSE NOW PRESIDENT

**HEAD OF CALIFORNIA STATE**

**Former Vice-President and General Manager of Coast Company Advanced to Fill Vacancy**

J. Roy Kruse has been elected president of the California State Life, succeeding the late President Marshall Diggs. Mr. Kruse has been first vice-president, general manager and agency director. He will continue to serve as general manager. Mr. Kruse was born in Kentucky Nov. 24, 1882. His parents located in Kansas City, Mo., when he was a youth and he was educated in the schools there. Leaving high school he started as a clerk in the Kansas City office of the New York Life and in eight years time was made cashier of the Kansas City branch. He took a prominent part in the organization of the Great Western Life of Kansas City, being auditor and treasurer. After four years with that company he went with the California State Life as assistant secretary in May, 1913.

#### Was Agency Head

Later he became secretary and in March, 1915, was chosen secretary and treasurer. He was made first vice-president and general manager in 1919. Mr. Kruse has been head of the agency department and is very popular with the men in the field. During the time that President Diggs was in all health, Mr. Kruse was the practical head of the organization, carrying on the presidential duties with ability. He knows all the men in the company and they have confidence in him. In speaking of Mr. Kruse the agency bulletin of the company says:

"In handling the business of the company, Mr. Kruse has given his encouragement to clean salesmanship and good business methods in the field. He has been largely responsible for the creation of a loyal and efficient agency staff which is the pride of the organization. His tireless energy and business ability have contributed materially to the steady growth and development of the company upon a sound financial basis."

D. I. Waltz has been made first vice-president, R. T. McKisick, second vice-president and general counsel, and Charles B. Brooks, third vice-president. Vice-President McKisick will devote his entire time now to company business.

abetes death rate among whites and a considerable one among the colored as compared with last year. It may possibly be that later developments will show that the benefits of the insulin treatment are temporary—or at least not as lasting as had been expected in the earlier periods of its use.

#### Alcoholism Increasing

The Metropolitan figures show 121 deaths from alcoholism in January, February and March with a death rate of 3.0 per 100,000. This may be compared with the rate for the first quarter of last year, with 2.9 per 100,000. There were 278 deaths from cirrhosis of the liver, which is closely associated with alcoholism, as compared with 241 for the same period of 1924, the correspond-

### REPORTS BIG POLICIES

**SPLENDID RECORD IN APRIL**

**Prudential Tells the Number of Large Applications That Came to Hand Last Month**

NEWARK, N. J., May 14.—That 256 applications in sums ranging from \$25,000 to \$400,000 were received in April by the Prudential is the report submitted by George B. Speer, assistant secretary. This is the largest number of applications in the "big insurance" category ever received by the Prudential in the course of a single month, and exceeded by 104 the number received during April, 1924.

Mr. Speer reported receipt of one application for \$400,000, two for \$300,000, one for \$250,000, three for \$200,000, one for \$175,000, eight for \$150,000 and nineteen for \$100,000. Besides these, there were 119 for \$25,000 and upwards, 25 for \$30,000 and upwards, five for \$35,000 and upwards, seven for \$40,000 and upwards, three for \$45,000 and upwards, 55 for \$50,000 and upwards, two for \$70,000, three for \$75,000, and two for \$85,000.

Thirty-eight percent of the applications were for life insurance as business protection, and 5 percent to provide immediate funds for the payment of inheritance taxes.

A tabulation of the applications shows that the \$400,000 policy was desired by a Michigan manufacturer; not, however, a manufacturer of motorcars. It also revealed the fact that a California newspaper valued the life of its editor at \$175,000. The two \$300,000 applications came from a broker and the head of a Pennsylvania furniture company.

New York, with 104, led the list of applications. Pennsylvania, with 26, was next. Ohio and New Jersey each had fourteen, California thirteen, Minnesota twelve and Louisiana nine.

Of the remaining applications, ranging in size from \$25,000 to ten times that sum, Alabama produced three, Arkansas one, Colorado one, Connecticut two, District of Columbia one, Florida six, Georgia six, Hawaii three, Illinois six, Indiana two, Iowa two, Kentucky three, Maryland four, Massachusetts six, Michigan five, Mississippi two, Missouri five, Oklahoma three, South Carolina two, Tennessee five, Virginia one, Washington one, West Virginia one and Wisconsin three.

ing rate being 6.9 for the first period of 1925, and 6.4 for 1924.

Since Jan. 1, 1922, 1,293 deaths have been recorded from alcoholism, of which 1,280 occurred in the United States and only 13 in Canada.

While fatal automobile accidents have not been as numerous as during the first quarter of last year, the death rate from this cause, which had been running exceptionally low in January and February, rose sharply in March.

The March rate of 10.3 per 1,000 is the lowest figure ever recorded for that month among Metropolitan industrial policyholders. It may be compared with 10.5 per 1,000, 12.2, 12.3, and 10.7 in 1924, 1923, 1922 and 1921 respectively. The outstanding bad items were auto-

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### FRICK CASE DECIDED AGAINST GOVERNMENT

**United Supreme Court Holds for Estate in Federal Tax Case**

### ONLY PARTIAL VICTORY

**Question of Constitutionality of Revenue Act in Taxing Insurance Left Undecided**

WASHINGTON, D. C., May 13.—The United States Supreme Court this week handed down a decision on the Frick tax case, holding for the estate and establishing insurance tax precedent to the extent that proceeds from life insurance policies in which the rights to the benefit passed to or were vested in final beneficiaries prior to the enactment of the revenue act of 1918 are not subject to the federal estate tax. This decision was a complete victory in the Frick case, although it does not establish the hoped-for precedent, in that the constitutionality of the revenue act itself was not decided by the court.

#### Constitutionality Undecided

In handing down its decision the Supreme Court specifically stated that it would not discuss the question of constitutionality of the revenue act. It based its decision entirely on the fact that the beneficiaries had vested rights in the policies prior to the enactment of the law and the law could not be made retroactive. In this connection the court said, "We do not propose to discuss the limits of the powers of Congress in cases like the present. It is enough to point out that at least there would be a very serious question to be answered before Mrs. Frick and Miss Frick could be made to pay a tax on the transfer of the estate by Mr. Frick. There would be another if the provisions for the liability of beneficiaries were held to be separable and it was proposed to make the estate pay a transfer tax for property that Mr. Frick did not transfer."

#### Beneficiaries Had Vested Right

The court said that it was not necessary to decide whether the lower court was correct in holding that section 402F of the revenue act, authorizing the government's action, was invalid and unconstitutional, inasmuch as the policies in this particular case had vested before the law became effective. Under the decision the government must return to the estate \$108,657, which it collected as taxes upon the \$474,629 of life insurance left by Mr. Frick for the benefit of his widow and daughter. While the decision clarifies the status of all life insurance taken out prior to the enactment of the revenue act of 1918, it does not clear the question of constitutionality of that act, which was raised in the Frick case.

As the policies in question in the Frick case represented practically every situation with respect to a life insurance policy which could be raised in

such litigation, it was hoped that a final decision on the taxing of insurance estates could be reached. Mr. Frick carried 11 policies of insurance on his life, totaling \$474,629, the policies being of different character, but all taken out prior to the enactment of the revenue law. Some had been taken out by him, made payable to his estate and assigned to his wife or daughter. Some had been taken out and made payable direct to the wife or daughter. In some cases the right of revocation was reserved and in other cases not. Thus practically every life insurance situation was presented. As the district court of western Pennsylvania had chiefly considered the question of constitutionality and had held against the government, it was expected that this would be the chief consideration of the Supreme Court. However, as the case was won clearly for the estate without considering the constitutionality, the high court handed down its opinion without entering into a discussion of that question.

An unusually large number of briefs were filed in the case with consent of the court. Among them were briefs by counsel for William Waldorf Astor, for the executor of the estate of Anna B. Austin of Chicago, for the executor of the estate of Verner Zevola Reed of Colorado, for Hugh Bancroft of Boston and for the Association of Life Insurance Presidents.

#### Sums Up Case

The court's opinion, summing up the case and holding for the estate, read, in part, as follows:

"The suit was brought by the executors of Henry C. Frick to recover the amount of taxes collected by duress under the supposed authority of the Revenue Act of 1919, the court pointed out, on the ground that the act is unconstitutional so far as it purports to tax the matters here concerned. The district court gave judgment for the plaintiffs for the whole sum demanded. The case was tried without a jury and the court adopted as its findings among other things the following facts which were agreed: Henry C. Frick died on December 2, 1919, and his will was admitted to probate on December 6. There were outstanding policies upon his life, four payable to his wife and seven to his daughter. The total amount received under them was \$474,629.52, and as his estate apart from this was more than \$10,000,000, an addition tax of \$108,657.88, or 25 percent of the sum received less the statutory deduction of \$40,000, was required to be paid. All the policies were taken out before the Revenue Act was passed. The largest one, for \$114,000 was a paid-up policy issued in 1901, payable to Mrs. Frick without power in Mr. Frick to change the beneficiary. Another, similar as far as material, was for \$50,000. Others were assigned or the beneficiary named (Frick's estate) was changed to Frick's wife or daughter before the date of the statute. All premiums were paid by Mr. Frick, and some seem to have been paid after the statute went into force.

#### Cites Provisions of Law

"The tax imposed by the act is a tax 'upon the transfer of the net estate' of the decedent. 'For the purpose of the tax the value of the net estate shall be determined' by deducting certain allowances from the gross estate. By 'the value of the gross estate of the decedent shall be determined by including the value at the time of his death of all property. . . . (f) To the estate of the amount receivable by the executor as insurance under policies taken out by the decedent upon his own life; and to the extent of the excess over \$40,000 of the amount receivable by all other beneficiaries as insurance under policies taken out by the decedent upon his own life.' These last words are the ground of the collector's claims.

"By the quotation 'If any part of the gross estate consists of proceeds of policies of insurance upon the life of the decedent receivable by a beneficiary other than the executor, the executor shall be entitled to recover from such beneficiary such portion of the total tax

## OLD LINE LIFE RALLY

### GENERAL AGENTS' CONFERENCE

One or More From Each State Where Company Operates in Attendance at Meeting

MILWAUKEE, WIS., May 13.—Thirty general agents of Old Line Life were in attendance at a meeting of the general agency force of the company here last week. One or more general agents from every state in the Union where Old Line Life is licensed were present at the meeting, delegates coming from California, Texas, Oklahoma, Illinois, Wisconsin, Pennsylvania, Washington, Minnesota, Iowa and Michigan. The convention opened with a welcome by President Rupert F. Fry and response by W. E. Bilheimer of St. Louis. A dinner was given to the visitors, followed by a theater party.

#### Opened by J. L. Fox

The speaking program opened with an address, "How to Encourage Agents by Personal Production," by John L. Fox, general agent, Fond du Lac, Wis. Harold D. Barton, general agent, San Francisco, spoke on "How Service Adds Joy and Thrills to the Selling of Life Insurance." "How to Secure and Develop Agents" was the subject of M. T. Canfield, Antigo, Wis. An old question was brought up for review when E. H. Miles, general agent Fort Atkinson, Wis., talked on "Full Time vs. Part Time Agents." S. A. S. Jacobs, general agent in Detroit, told of advantages of "Concentration of Territory."

#### Afternoon Program

The afternoon program opened with an address on "The Master Key" by Rev. W. T. Dorward. "Company Loyalty" was discussed by General Agent N. G. Hartberg, Marinette, Wis. L. M. Cahill, general agent in Los Angeles, spoke on "Cooperation," and J. A. Philippi, Wausau, Wis., discussed "Selecting the Policy to Fit the Applicant's Needs." A. F. Chapman, general agent La Crosse, Wis., spoke on "Why I Specialize in Endowment Insurance," and "The Value of Inquiry Cards and Their Use" was brought out by P. J. Engelhardt, general agent at Milwaukee.

The convention was the most successful general agents' gathering ever held by the company, according to F. J. Tharinger, assistant secretary.

paid as the proceeds, in excess of \$40,000, of such policies bear to the net estate."

"By section 409 a personal liability is imposed upon the beneficiaries if the tax is not paid when due. The defendants in error say that if these policies are covered by the statute these sections show that the beneficiaries are taxed upon their own property, under the guise of a tax upon the transfer of his estate by Mr. Frick, and this is taking their property without due process of law, citing various cases. In view of their liability the objection cannot be escaped by calling the reference to their receipts a mere measure of the transfer tax. The interest of the beneficiaries is established by statutes of the states controlling the insurance and is not disputed. It also is strongly urged that the tax would be a direct tax. In view of our conclusion it is not necessary to state the position of the defendants in error more in detail.

#### Constitutionality Not Raised

"We do not propose to discuss the limits of the powers of Congress in cases like the present. It is enough to point out that at least there would be a very serious question to be answered before Mrs. Frick and Miss Frick could be made to pay a tax on the transfer of his estate by Mr. Frick. There would be another if the provisions for the liability of beneficiaries were held to be separable and it was proposed to make

## TO AVOID SHOWDOWN

### SOFT PEDAL WISCONSIN ROW

Resolution for Probe of Controversy Between Ekern and Smith Likely to Be Sidetracked

MADISON, WIS., May 12.—Political wires are being pulled frantically in an effort to prevent the controversy between W. Stanley Smith, commissioner of insurance, and Herman L. Ekern, attorney general, from being aired in public. The fight had been brewing ever since Mr. Ekern opposed Mr. Smith's appointment as insurance commissioner, but came to a head when Mr. Ekern by a last minute coup, in which he appeared before the senate as a committee of the whole and objected to the passage of the bill codifying Wisconsin's insurance statutes, apparently doomed the bill to defeat.

#### Resolution Reported Unfavorable

Desire to stifle public interest in the fight became apparent when a resolution, summoning Attorney General Ekern and Commissioner Smith to appear before the assembly May 14 for questioning was reported out for indefinite postponement by the committee on rules by a vote of 7 to 1. The resolution had been introduced by A. E. Smith, a Viroqua, Wis., local agent and member of the assembly, after the commissioner had made strong charges of non-cooperation against the attorney general. The resolution was introduced May 7 in an attempt to have the matter acted upon at once, but this was voted down and the matter was sent to committee. Efforts will be made this week to have the committee's recommendation overridden. It is very doubtful whether the Smith resolution can be passed, however, as progressives in the legislature seem to be much opposed to the investigation.

#### Based on Commissioner's Letters

The A. E. Smith resolution is based on the fact that the commissioner recently wrote two letters in which he openly charged that he was unable to secure proper opinions from the attorney general on insurance questions because of his outside connections. He suggested that the legislature proceed to ascertain the extent of the alleged interests of the attorney general in insurance companies. Assemblyman Smith in his resolution declares that the legislature should find out whether the attorney general is so tied up with outside interests as to hamper his usefulness to the state as its chief legal adviser. The attorney general has refused to comment on Commissioner Smith's charges.

The crux of the whole fight lies in the conflicting ambitions of the insurance commissioner and the attorney general, both of whom aspire to be the next governor of Wisconsin.

the estate pay a transfer tax for property that Mr. Frick did not transfer. Acts of Congress are to be construed if possible in such a way as to avoid grave doubts of this kind. Not only are such doubts avoided by construing the statute as referring only to transactions taking place after it was passed, but the general principle 'that laws are not to be considered as applying to cases which arose before their passage' is preserved, to disregard it would be to impose an unexpected liability that if known might have induced those concerned to avoid it and to use their money in other ways."

The court declared that such cases as Schwab vs. Doyle, Union Trust Co. vs. Wardwell, Levy vs. Wardwell and Knox vs. McElligot go far toward deciding the present case. They also indicate that the Revenue Act of 1924, making (g) the equivalent of (f) (above) apply to past transactions does not help but

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## HAD FINE EXPERIENCE

### UNIVERSAL LIFE'S NEW HEAD

M. A. Nation Who Becomes President of the Iowa Company Has Had a Most Excellent Training

A recent interesting announcement was that of the election of M. A. Nation by the directors of the Universal Life of Dubuque, Ia., to become president succeeding Frank W. Coates of Dubuque, resigned. Mr. Nation formerly was assistant to President J. R. Paisley of the International Life of St. Louis. The change in leadership of the Dubuque company marks the acquisition of the majority stock control of the Universal by a group of life insurance men headed by Mr. Nation.

#### Has Had Wide Experience

The new executive head of the Universal Life, has had a wide and varied career in the life insurance field. He



M. A. NATION  
New President Universal Life

eminently qualified to head a rapidly growing and progressive company, having had experience in every branch of life insurance business. Mr. Nation is a native of North Carolina, being a son of one of the log cabin pioneers of the state. His parents migrated to Kansas and young Nation spent his boyhood on a farm in that state. Later he taught school but early in his career realized that he was cut out for the life insurance business.

#### Worked as an Agent

Making a connection with the Commonwealth Life of Omaha, Mr. Nation carried a rate book as a sub-agent, made good and subsequently was given charge of a Kansas state agency. Endowed with a pleasing personality and the inherent ability to make friends and keep them, Mr. Nation developed the Kansas agency for the Commonwealth into one of the best agencies of the company.

Mr. Nation resigned from the Kansas state agency Jan. 1, 1923, taking the position of assistant to the president with the Standard Life of St. Louis, materially aiding in the merging of the Commonwealth with the Standard Life.

#### Took Up Executive Duties

After the completion of the merger, Mr. Nation removed to St. Louis, taking up executive duties with the Standard Life, which company was later merged with the International Life under the leadership of J. R. Paisley. Mr. Nation continuing with the new organization in the same capacity as heretofore. Being only 35 years old Mr. Nation possesses the enthusiasm of youth yet well prepared by many years close contact and association with the business of life insurance organizations. He has made good in every department.



## HEARINGS ON DAILEY BILL NOW ARRANGED

Suggestions for Changes Must Be Submitted in the Form of Amendments

## DAILEY WANTS IT PASSED

Life Insurance Interests to Be Heard First and Followed by Stock Fire Companies

The two features of the Dailey bill which are of interest to life companies are those which revise the present system of taxation and stipulate that Illinois companies must pay a license fee for agents appointed in Illinois. If the taxation plan contained in the Dailey bill passed, it will increase the taxes of all Illinois companies. It provides that taxes shall be based upon premium receipts by counties.

At the present time Illinois companies do not have to pay license fees for their Illinois agents. If they were called upon to do so the companies with large agency plants in the state would have to pay out considerable money that they are now saving.

Public hearings on the Dailey bill providing for a recodification of the insurance statutes of Illinois began in Chicago last Friday and will be resumed again in Chicago at the La Salle hotel on Friday of this week. At last week's initial hearing no attempt to discuss the merits or demerits of the bill was made. Instead, Senator Dailey arranged the dates upon which representatives of the various classes of business are to be heard. This week the life insurance companies are requested to be present and discuss with Senator Dailey and the other members of his committee the sections of the bill relating to life insurance. As soon as all those who care to discuss the life insurance angles of the bill have been heard, the mutual fire and casualty companies will be given a hearing and the stock fire companies will present their case in Chicago on May 22.

### Wants Bill Passed

Senator Dailey stated plainly at the hearing held last week that it is his intention to press his recodification bill for passage. He said that all other insurance legislation which has been introduced in Illinois will either be incorporated in his own bill or rejected. He proposes to lump all insurance legislation together, and to hold hearings at which changes may be suggested or reasons for the elimination of certain features of his bill suggested. He states that every effort will be made to get the bill passed and to make it operative by July 1 of this year.

### Reads Formal Statement

Senator Dailey read a formal statement explaining the reasons for introducing his bill revising the statutes of the state. He said in part, "While some exceptions have been taken and others may be entered during the course of the hearing on this bill, I have yet to hear anyone take exception to the broad statement that the Illinois insurance laws need revision and codification. The preparation of the form of the provisions of the proposed code ought to, and will, eliminate lengthy discussions on collat-

## PUBLICITY MEN MEET LIFE COMPANIES' CONFERENCE

New England Organization Approves Sectional Plan Adopted by the Insurance Advertising Association

The New England conference of life insurance publicity managers held a meeting in Hartford in April, the Phoenix Mutual Life acting as host. This was the sixth meeting of the conference, which was organized some two years ago at a meeting called in Boston at the office of the John Hancock Mutual. Other meetings have been held with the State Mutual in Worcester, the New England Mutual in Boston and the National Life in Montpelier. Vice-President Harry M. Cutler of the National Life is chairman of the conference and Assistant Superintendent of Agencies James H. Eteson of the State Mutual is secretary.

### Separate Life Session

At the Hartford meeting it was informally agreed that the plan of the Insurance Advertising Conference recently developed, which permits a grouping of life insurance members in a separate session, greatly increased the value of membership.

While it was not felt necessary for the New England group to affiliate as an organization, it was agreed that membership in the conference should be encouraged, but was a matter for the individual decision of each company. Among those who have acted thus far are Harry M. Cutler of the National Life and Henry H. Putnam of the John Hancock Mutual.

The New England Conference has quarterly luncheons to discuss informally publicity matters of mutual interest.

eral matters and make it possible for those who have objections, to aid the committee in expediting the hearings on this code, in order that at the first possible legislative day, the completed code, bearing the recommendation of the committee, may be reported with recommendation that it do pass.

"An examination of the code will disclose that old paragraphs numbered from 173 to 180 have been omitted. I have now in course of preparation a separate article dealing with the subject of Lloyds, which I will present to this committee at the next hearing. I will also offer at the same time, an additional article dealing with marine insurance. An examination of the code will disclose that 14 obsolete laws now on the statute books have been omitted. It will also be found, on examination, that a number of the present insurance laws have been omitted in part, and rewritten into new sections.

"It will be found, too, that the new code represents a composite of the various sections under each class of insurer, designed to have someone upon whom service may be had, as well as a composite of the several retaliatory laws found in the different acts, and proposed into one composite law, applicable to all companies, and enlarged on, so as to provide for the revoking of licenses in Illinois, when by arbitrary action, officials of other states deny or revoke a license of an Illinois company."

### Wants Concrete Amendments

Senator Dailey made it clear that any who have changes or alterations to offer must present them in the form of written amendments in such shape as to make it possible to incorporate them as a part of the bill. Senator Dailey stated that he has found deplorable differences of opinion between the various classes of insurance carriers. He said that his bill in the form presented logically adapts itself to discussion.

C. J. Doyle, associate general counsel of the National Board of Fire Under-

## IMPORTANT DECISION MINNESOTA SUPREME COURT

False Statement in Application Voids Policy—Two Cases Brought Out Vital Points

ST. PAUL, MINN., May 13.—The Minnesota supreme court in two decisions last week sustained the Minnesota law, that those who falsify statements in their application for life insurance, thereby void their insurance. Both cases were appeals taken by the New York Life and in both cases the state district court was reversed. The cases are Thomas Shaughnessy and Mabel Flikeid, et al., vs. New York Life. In each instance the applicants had made statements in their applications to the effect that they had not been ill or consulted doctors for five years previously and in each case testimony was to the contrary effect. In spite of this the lower courts had given judgment for the beneficiaries of the policies, which judgments are now reversed.

### Five Points Decided

In the Shaughnessy case the supreme court rules on five interesting important points as follows:

"1. It is the duty of an applicant for life insurance to give truthful answers to questions relative to medical consultation and treatment. Such matters are material to the risk and, if the answers are false, the policy may be voided; but the rule does not require the disclosure of consultations or treatment for slight temporary ailments.

"2. A material misrepresentation is a bar to recovery, although not made with intent to deceive.

### Should Have Read Contract

"3. In the absence of fraud or mistake, a party to a contract who has the opportunity and ability to read it, cannot avoid it by showing that he did not know what it contained.

"4. Information possessed by an agent to solicit insurance is not attributed to the insurer unless the information was imparted to the agent in the course of his agency. Answers to questions concerning previous or existing ailments, consultations and attendance by physicians, and the like, are beyond the scope of the functions of an agent whose only authority is to solicit insurance." (In case at bar it was claimed the agent knew of the assured's physical afflictions.)

### Can't Apply Old Rule

"5. Under the evidence (in such a case) there is no room for the application of the rule that when the applicant for insurance correctly states to the insurer's agent that he, without knowledge or fraud on the part of the applicant, mistakes them in the application, the insurer cannot shift the responsibility for the misconduct of its agent."

In the Flikeid case, the court follows the same course of ruling as held above.

### Results of Medical Life Campaign

A final check of the business written in April by the Medical Life of Waterloo, Ia., in response to a plea to the agency force to write \$1,000,000 of business in honor of Dr. W. A. Rohlf, president of the company, shows that \$1,251,000 of new applications were received and of this amount \$1,105,000 was examined, settled for and acceptable business. It is believed that this sets the new record for a company of its size and age.

writers, is representing the stock fire companies at the hearing; George E. Turner, general manager of the Casualty Information Clearing House, represents the stock casualty companies and H. P. Janisch is looking after the interests of the mutual fire and casualty companies.

## NOTABLE CONGRESS AT SAN FRANCISCO

Northern California Association Has Wealth of Talent for Sales Conference

## ROBERTS MAKES BIG HIT

Large Personal Producer of Mutual Benefit Life at Los Angeles Is Star of Program

SAN FRANCISCO, CAL., May 13.—

Roy Ray Roberts, large personal producer with the Mutual Benefit Life at Los Angeles, was easily the star on the program of the one-day sales conference held by the Northern Association of California Life Underwriters in San Francisco Friday. Mr. Roberts spoke at the banquet which concluded the all-day session and went into detail as to his methods of selling and retaining the business and friendship of his clients. Those who heard Mr. Roberts found it easy to see why he has already this year written and paid for over \$700,000. His business, as he expressed it, "is built on frankness and honesty." He does not go to the prospect with high sounding phrases, enmeshing him in a flow of oratory but rather talks in plain everyday language, backed by a thorough knowledge of the service he is rendering. In his work he uses many excellent charts which he has developed, thus helping to visualize for the prospect the facts presented.

### Visualize Proper Need

He made a demonstration sale, using Paul Judson, president of the association, as the prospect, following the sale through to its close. He then read copies of various letters he uses in keeping in touch with his clients on their birthday, the wife's birthday, or the birthday of the children as well as Christmas.

"You cannot sell a \$50,000 policy if you visualize a \$5,000 need, therefore visualize the proper need to the prospect. One of my greatest ambitions," said Mr. Roberts, "is to help life insurance men to sense their responsibility. If you have that sense of the responsibility which rests upon you in this great service, you will work and work hard."

### Service to New Man

L. G. Saunders of the Equitable Life gave an inspirational talk on "I Have a Chum in the Business," calling attention to the service which may be rendered to the new man as well as the encouragement which may be given to fellow workers.

Charles R. Detrick, insurance commissioner of California, gave a brief address in which he told of the service the department is rendering, assuring those present that all matters taken up with the department would be held inviolate and with utmost confidence. He stated that this was a matter of such importance that even if it were necessary to make changes in the personnel of the department in order to carry it out, such changes would be made.

The entire meeting was the most enthusiastic and helpful that has yet been held by the northern association.

### Gives Object of Conference

Victor A. Anderson, who had charge of arrangements for the conference, was chairman of the morning session and in speaking of "The Object of the Conference" stated that its aim was to make for greater efficiency among the life underwriters in northern California. E. H. Lestock Gregory of the Aetna Life gave an interesting talk on "What the

# DeFOREST BOWMAN

## General Agent

Offers Full Time Men, Desiring to Enter the Life Insurance Business

Who Join the Chicago "I WILL" Agency of the Great

## BANKERS LIFE COMPANY OF IOWA

- 1—Free Schooling.
- 2—Free Circularizing.
- 3—High grade premium notes handled.
- 4—Advances against commissions coming on high grade premium notes.
- 5—A Line of Special Estate and Income Contract Unsurpassed.
- 6—Rate Books illustrating your policy that helps you sell and sell big.
- 7—Preferred disability for professional men and executives that is written by no other Company.
- 8—Regular Disability.
- 9—Double Indemnity.
- 10—Preferred Risk Rating.
- 11—Class A—Risk Rating.
- 12—Class B—Risk Rating.
- 13—Class C—Risk Rating.
- 14—Covering the entire field as no other Company covers it.
- 15—Monthly Saving Payment plan for employees in groups of five or more.
- 16—Other helps such as no other Agency offers you and backed by a live General Agency Staff.
- 17—If you want to sell the best and most popular Estate Contracts in the Field—Join the Chicago "I WILL" Agency.

## BROKERS — ATTENTION

Bring Us Your Big Business

We will consider writing in a single policy \$1000 to \$1,000,000 on a Preferred Risk—and arrange for all the reinsurance we need. Saving you time and trouble.

De FOREST BOWMAN  
General Agent

BANKERS LIFE COMPANY OF IOWA

80 E. Jackson Blvd.

Suite 637-649

Phone Harrison 8054-5-6-7-8-9

## For Merit Earned



**The Reinsurance Life**

Des Moines

National Association has done for the Life Underwriter" and gave as an example of some of its effective work the good accomplished in 1906 during the Armstrong investigation when through the efforts of the National Association in obtaining from President Roosevelt instructions to the Armstrong committee facts which had not previously been taken into consideration and were thus able to assist materially in bringing about the placing of the great institution of life insurance on a proper basis.

### Good Sales Talk Given

William B. Moyle gave an inspirational talk on "Square Pegs in Round Holes," stressing a knowledge of the policies sold, absolute faith in them which leads to enthusiasm which would in turn lead to good hard work and adequate returns to the life underwriter. "Income Insurance" was discussed by Noel H. Jacks of the Travelers. He gave many interesting examples and facts concerning this form of protection, making a strong plea for placing more insurance on this form.

"Insurance for Co-partnerships" was covered by O. W. Fletter of the New England Mutual Life. In his talk Mr. Fletter went into the community property law of California in its relation to co-partnerships, calling attention to the fact that while nominally a man may have a half interest in a business he must remember that his wife has under this law one-half of his half of the business and that this should make a good talking point in the presentation of this form of insurance. Mr. Fletter was followed by Rolla B. Watt, of the Aetna Life, who presented the legal aspect of partnership agreements. In this connection Mr. Watt stated he thought it best that such insurance should be made payable to a third party, preferably a trust company.

### "Bill" Mouser on Program

The afternoon session which was presided over by J. N. Flowerman of the West Coast Life, opened with an inspirational address by R. H. Mouser of the Equitable Life of New York, who spoke on "The Human Element in Life Underwriting." Mr. Mouser called attention to the various emotions of human beings, emotions which have come down to us through the ages and advised the life underwriter to bear these in mind when talking to the prospect. Added to this the underwriter should be natural, not building lofty structures and making the subject seem involved but rather presenting it in an easy, human, natural manner.

Sol. J. Vogel of the New York Life, past president of the Northern California Association, spoke on the "Value of Membership in the Association." At the close of his talk he asked for applications for membership in the association from those present who were not already members and between 25 and 30 made application. "Needs" was covered by Alvah P. Conklin of the Mutual Life, who summed up the service rendered by life insurance to cover the various needs. Walter J. Mayer in his talk on "The Approach; Its Value and Importance" advised constant self-appraisal and enthusiasm. "Enthusiasm," said Mr. Mayer, "will strike the spark which will make the sale."

### Record Producer Speaks

G. E. Shirley, record producer of the California State Life, who has been in the life insurance business for a little less than four months, but who has been producing at the rate of better than \$500,000 per year, spoke enthusiastically on "What Constant Application will do for a New Man." Mr. Shirley was fired with loyalty to his company and the great service of life insurance and carried a message which may well be taken to heart by many of the "old-timers." He told of his experiences prior to getting into the life insurance business and how finally he decided it was time "to get out of the rut." "Underwriting in the Country" was covered by Clark A. Moore, who has made a record for himself in this territory in the quality and

"stick-to-it-iveness" of the business written by him. With an annual production of \$400,000 to \$500,000 his ratio runs around 8 to 10 percent. He told many interesting details of his work in the rural districts and of the action of people living in the country the life underwriters who go out into the country occasionally to do a little business "easy money" business.

### Woman's Place Told

Inez J. Welling of the Pacific Mutual Life told of "Woman's Place in the Profession of Life Underwriting," stating it was her opinion that women sell business entirely differently from men. She stated she thought that the sale of life insurance women were on their "native heath" for said Mrs. Welling, "the building of the home has ever been woman's business and the protection of the home may well be carried on by women."

"Monthly Income Insurance" was handled by J. D. Adams of the New York Life, who gave concrete illustrations of this form of protection, citing various cases sold by him and the methods used.

### Value of Weekly Production

Robert W. Fowler of the Lincoln National Life told of "The Value of Co-operative Weekly Production," stating that he knew the value of this consistent production being in his 440th week now. "If a man will keep himself on the job so consistently and persistently that he will produce at least one application each week he will come much closer to being successful than the spasmodic producer even though he produce large policies," said Mr. Fowler.

The afternoon session ended with the production "The Heart of the Estate" which made its bow to the San Francisco audience. This is the playlet which was produced last year in Los Angeles at the National Association meeting and which won nation-wide recognition as one of the biggest features of that convention. It is planned by the Northern Association of California Life Underwriters to have this playlet presented before the women of this portion of the state through co-operation with the Federation of Women's Clubs.

## FRICK CASE DECIDED AGAINST GOVERNMENT

(CONTINUED FROM PAGE 4)

if anything hinders the collector's construction of the present law. The court, therefore, affirmed the decree of the court below.

### EXECUTIVES ARE DISAPPOINTED

NEW YORK, May 14.—Life insurance executives express disappointment over the decision of the Frick case which had been awaited with much eagerness, as the finding leaves in doubt the status of policies written since 1913, as all of these policies were taken out before the passage of the revenue act of Feb. 24, 1919. The "Journal of Commerce" quotes Alfred Hurrell, vice president and general counsel of the Prudential, as follows:

"The decision is unsatisfactory. It decides nothing as to policies taken out since the act was adopted and leaves in doubt what the attitude of the court would be if a case exactly similar to the Frick case were to arise under the act of 1924."

### William BroSmith's Comment

William BroSmith, vice-president and general counsel of the Travelers, was also quoted as saying that while the decision is of large importance to holders of life insurance and beneficiaries of policies issued before the revenue act became effective, it is likely that unless Congress will either modify the revenue act in this connection or repeal the federal estate tax provisions, the revenue department will insist upon the payment of tax by or in behalf of beneficiaries of insurance taken out since these taxes became effective.



## GIVES PRACTICAL TALK TO BE INTERNATIONAL

### SIMMONS OKLAHOMA SPEAKER

Vice-President of Pan-American Life  
Makes Strong Impression in Address to Life Underwriters

OKLAHOMA CITY, OKLA., May 13.—The 1924 official staff and program committee of the Oklahoma Association of Life Underwriters will retire with laurels, if the program presented at the Saturday meeting, the next to the last of the season, may be considered a barometer. The principal speaker, Dr. E. G. Simmons of New Orleans, vice-president and general manager of the Pan-American Life, drove home practical, concrete ideas with machine gun rapidity. Election of new officers will be an event of the June meeting.

Dr. Simmons began by emphasizing the importance of the agent to the development of a life company, concluding with the assertion: "If it were not for the agent, we would have no life insurance companies." He urges, however, the necessity for preparation and a real knowledge of the business. He advocated the careful study of each policy, adding the caution not to talk over the head of the prospect. "Half the people do not understand what you mean when you speak of continued insurance, paid up policy, or deferred annuity, and such expressions go into one ear and right out of the other. Talk their language and play down to them, instead of expecting them to play up to your vernacular. The prospect will never admit that he does not understand, so you really can make no advancement with the average prospect with high sounding phrases.

#### Life Insurance as Investment

"I presume you have all had men tell you that life insurance is not an investment. There is absolutely nothing a man can consider on a basis of 20 years, that will yield him as good results as by investing in practically any policy any of you have to offer."

He then invited his listeners to take out their pencils and figure with him. "Premiums on a 20-year endowment at age 35, approximate \$42.25. The lowest possible premium presented, for term insurance, is \$15.12, which taken from the former premium leaves a difference of \$27.13. That really constitutes the investment. The \$15.12 is a necessity, just as the premium on fire insurance, and at the end of the year no one expects a return on it. At the end of 20 years, the insured will have paid in \$542 for the return of \$1,000. Now where can you beat that as an investment?" he said.

#### Studying Human Nature

"Life insurance salesmanship offers a wonderful opportunity for the study of human nature, but how many of us use it? The great newspaper man, Brisbane, on his way to the office in the subway every morning, buys two papers. He makes it a point to sit by a stranger, and in a short while, asks him if he would like to read the morning paper. Before he arrives he has learned all about his fellow passenger, and catalogues him in his mind with the hundreds of others he has met in the same way. How many of you pick up a pedestrian, and offer him a ride down town in the morning? Do you not believe this would put you in touch with some valuable information and acquaintances? This, however, should not be done for business reasons alone, for service is the real goal of a life underwriter.

"A life underwriter should know his territory. Do you know the number of concerns in this vicinity that employ 25 or more employees? Look them up, and catalogue this information in your mind."

The speaker's advice to new agents was to stay with their companies, and

### PLANS FOR COMMISSIONERS

Supervising Officials From Mexico and Canada Invited to Address Convention at San Antonio

AUSTIN, TEX., May 13.—By designation of Judge John M. Scott, Texas commissioner of insurance, every Texas insurance company president or executive officer is a member of the state entertainment committee for the National Convention of Insurance Commissioners, to be held at San Antonio for five days beginning Sept. 14. After that the visitors will tour the famous Rio Grande Valley with a side trip across the river to Matamoras, Mex., where there is no 18th amendment and where the cuisine is excellent. Elaborate preparations are being made in San Antonio for the entertainment of the distinguished guests.

#### Dallas Wants Stop Made

T. M. Cullum, president of the Dallas Chamber of Commerce, has written Judge Scott a letter in the name of the officers and directors of that organization urgently inviting all of the convention visitors to spend a day in Dallas in returning from the Rio Grande Valley trip. Much entertainment is promised with no idle moments. The chamber pledges its cooperation with the Dallas local insurance men and organizations to provide "royal entertainment."

Dallas, it is pointed out, should be of particular interest to the visitors since it is the insurance center of the southwest, because of the record of its remarkable growth and its importance as a financial center and jobbing center.

#### Quote Mexican Official

An invitation has been sent to the Mexican secretary of insurance to attend the San Antonio convention and to read a paper on "Finance and Insurance in the Republic of Mexico." Another prominent personage invited is R. Layton Foster of Toronto, Ont., superintendent of insurance in that province, to read a paper on "Uniform Law of Canada and Uniformity of Insurance Legislation in Canada."

Judge Scott predicts Texas is to reap much good from the visit of the commissioners and the insurance company officials who will be attracted to San Antonio by the convention.

#### Detroit Life's Record

President M. E. O'Brien of the Detroit Life announces written business for April totaling \$1,429,000. This brings the total of the Detroit Life business in Michigan up to \$7,210,000 for the first four months of 1925. This is an increase of 22 percent over the first four months of 1924. The record of paid-for business for 1925 was \$1,125,000.

not waste time visualizing better opportunities and treatment with some other company.

#### Coordination Is Essential

The knowledge of one's self Dr. Simmons deems most important.

"Why is it that one man can drive a golf ball 250 yards, while another can only drive 150 yards? It is coordination. You must coordinate with the principles of your business—and if you do not believe in life insurance, get out of it. Just as a lawyer will bring the entire profession into ill repute by unfair practices, so will a man who fails to recognize the principles of life insurance reflect on the profession.

"If there is any doubt in your mind regarding the high ideals of life insurance, you will not succeed. Big cities were not built by doubting Thomases, neither will big agencies be established without faith in the business, and faith in one's self."



He's Sure Making 'Em Swell Up

**During the first three months  
of this year  
our business has increased 25%  
over the same period  
of our "record year", 1923,  
and 81% over 1922.  
In a company with more than  
a billion dollars of business  
already in force  
such an increase  
means something.  
Among other things it means  
a tremendous increase  
in the earning capacity  
of those men who are so  
capably representing us  
in the field.**

# The Union Central

## Life Insurance Company

CINCINNATI, OHIO

# STOP!

If you are looking for a  
**GENERAL  
AGENCY**

in

**Illinois  
Indiana  
Michigan  
or Pennsylvania**

You will go no further if you wish an attractive proposition with a high grade company.

Address—**N-93**  
Care of National Underwriter

## 5.37%

5.37% interest will be paid by Atlantic Life during 1925 on the proceeds of policies held in trust by the Company.

5% interest will be paid on all dividends left on deposit during 1925.

These are just two Atlantic advantages which help our representatives make sales.

If you are interested in making a change an inquiry will enable us to furnish other interesting information regarding agency contracts, policy forms, and the Company.

Attractive territory available in:

West Virginia	Kentucky
Georgia	Alabama
Texas	North Carolina
	Michigan

**Honestly It's the Best Policy**

**Atlantic Life Insurance Company**  
Richmond, Virginia

## NEW WORLD RECORD OF 569 POLICIES IN MONTH SET BY R. L. KORNDORFER

**O**NCE again the "world's record" for the largest number of applications for life insurance paid for in a single month has been broken, the new record having been established by Ray L. Korndorfer, an Aetna representative connected with the Hart & Eubank general agency in New York. The new record is 569 policies approved and paid for. Mr. Korndorfer shows a total of written applications of 700, of which 569 were approved and paid for during April.

### Achieved the Unexpected

When the mark of 515 was established by Harry Glatz of Jamestown, N. Y., in January of this year, it was generally regarded as a record that would long stand without serious competition. However, on April 1, Mr. Korndorfer announced that he intended to stage a campaign during April with a view of establishing a still higher record. His campaign started with a flourish, the first day resulting in 108 applications, a new record for applications secured in a single day. Mr. Glatz had also established the previous record on this point, when he wrote 80 applications in a single day. The total insurance involved in the business secured by Mr. Korndorfer during April is well over \$1,250,000. The individual cases range from \$1,000 to \$250,000. Only 6 percent of the applications presented by him were rejected.

### Had Well Organized Campaign

To accomplish his record Mr. Korndorfer used extensive display advertising. He carried large advertisements in the daily papers and also advertised

the drive through the medium of large window displays facing the 149th street subway entrance. Mr. Korndorfer is connected with the 149th street branch of the Aetna Life. During the drive he had eight telephones installed in his office, eight physicians were kept busy examining the stream of applicants and three extra stenographers were required to work in relays. In preparation for the drive, he had drawn up a special list of 6,000 names which were circulated. The letter requested the assistance of his friends in the drive and over 1,000 pledged themselves to aid in bringing the world's record trophy to the Bronx. The results of the campaign were fully recognized by even the New York papers, front page comments being given in several cases. The New York "Evening Journal" carried a front page editorial on Mr. Korndorfer and his accomplishment under the title, "Is World's Champion Insurance Salesman, Which Proves That Imagination Is Power."

### Has Many Interests

Mr. Korndorfer has many activities and has an extensive insurance business. He is president of Raymond L. Korndorfer, Inc., an insurance brokerage office in the Bronx. He belongs to 32 organizations and is director of a bank. He is borough agent for the Maryland Casualty and branch manager of the Sun Insurance Office. He started his insurance career in 1912 as an office boy with the North British & Mercantile and when he was 21 years old he became secretary and treasurer of the Benjamin Korndorfer & Hastings agency. In 1920 he brought on his partners and in 1923 organized the office in his own name.

## CONSOLIDATION IS APPROVED

### Commissioner Wells Passes Favorably on Merger of Northern States with Hammond Company

ST. PAUL, MINN., May 13.—Commissioner Wells of this state has approved the merger of the Northern States Life of Minneapolis with the Northern States Life of Hammond, Ind. Dr. H. E. Sharrer of the Indiana company was the prime factor in the negotiations. Hereafter the executive office will be at Hammond.

### Frank T. Freeman

At Flint, Mich., Frank T. Freeman, who has operated the agency of F. T. Freeman & Co., is made general agent of the Aetna Life. He started with the Reliance Life in 1912, holding a general agency for eastern Michigan. Later he was department manager for the Freeman Dairy Company. In 1918 he went with the Mutual Life and in 1920, signed a general agency contract for the Massachusetts Mutual in northwestern Michigan. He established the F. T. Freeman Company in January, 1923.

### John T. Richardson

John T. Richardson has been made agency supervisor for General Agent W. F. Upshaw of the Aetna Life in North Carolina with headquarters at Raleigh. He is a graduate of South Carolina Presbyterian College and was a member of the varsity football team. He captained the team during his junior year. He started with the Equitable Life of New York at Richmond, Va.

### Will Not Change Name

R. W. Catlett, secretary of the Springfield Life of Springfield, Mo., states that his directors have no thought of changing the name of the company, notwithstanding the protest made by the Springfield Life of Springfield, Ill. The

Illinois company claimed that the names were alike and it would cause much confusion. Secretary Catlett said that when the Springfield Mutual Association was reorganized as an old line company, and the name "Springfield Life" adopted, it had no knowledge of the existence of the Springfield Life of Illinois. The directors feel that they cannot afford to make another change so soon as it would react against the company.

### Union Life of Arkansas Rally

The annual agency convention of the Union Life of Rogers, Ark., will be held at Rogers July 22-23 with Vice-President Elmo E. Walker in charge. W. E. Billheimer will be the feature of the occasion.

### Results of Hansen Month

The Guardian Life in April, designated as Hansen month in honor of the 50th anniversary of Vice-President T. Louis Hansen, produced \$10,038,100 of new business, breaking all previous records for the company.

### Metropolitan Life Appointments

The Metropolitan Life has appointed John J. Lynn, an attorney of Newark, N. J., supervisor in charge of the salary allotment section with headquarters at the home office. Mr. Lynn has been connected with the company's group department for about six years. Henry S. Todd, senior supervisor of accounts, has been appointed agency supervisor of the southwestern territory. He has been with the company since 1904 occupying various clerical positions and was senior supervisor on accounts in several territories.

Guy MacLaughlin of Houston, Texas, state manager for the Franklin Life, was elected a honorary member of the board of directors of the Intercontinental Industrial Fair Association and attended the Cinco De Mayo celebration Tuesday at Donna, Tex., in the Rio Grande Valley.



## WHAT ONE LOCAL ASSOCIATION OF LIFE UNDERWRITERS IS DOING

By CLINTON F. CRISWELL

Executive Secretary Cleveland Life Underwriters

WHILE the development and sale of life insurance have been going forward by leaps and bounds, most local life underwriters' associations have failed to keep a proportionate pace. The result is that, in spite of the worthy ideals cherished by the National Association, its membership, after nearly 40 years, embraces only a small proportion of the life insurance salesmen in the country.

The plan pioneered by the Cleveland Association is rapidly putting life association work on a "legal-reserve" basis. Cities that have had the courage to fix rates at adequate rates have not only greatly increased their membership through the appeal of better service, but also won greater respect from the public. This means increased sales, less resistance.

### Intensive Personal Service

Owing to its fortunate position in being the first association to reorganize along the lines of intensive personal service, Cleveland Life Underwriters has been able to assist other associations and the purpose of this article is to briefly

other associations not having the equipment must leave off. Except in its ability to attract better speakers through larger fees and a better audience, it is doubtful if the programs of the Cleveland association meetings have greatly improved over the old system. Most associations have always had good meetings; the trouble is they don't offer much else. Enthusiasm unexpressed soon dies.

### Sales Helps Between Meetings

Sales helps between meetings has been the secret of the Cleveland organization's remarkable growth in numbers, financial strength and prestige. Hundreds of thousands of pages of the best selling material that can be obtained have been sent to members throughout northern Ohio. Charts and technical surveys, otherwise unobtainable, have been prepared and furnished with no cost except dues. Some of these selling aids have been designed as actual selling documents, and used with gratifying success.

When a member misses a talk that cost the association \$1 or \$2 a minute

The plan followed by the Cleveland Association of Life Underwriters and the results obtained under it have been attracting especial attention since President Clegg of the National Association referred to it as a model for other local associations.

The writer of the accompanying article was the first full-time paid secretary in the United States. This is his sixth year as executive secretary of the Cleveland association. The organization then had 135 members, now 500. The annual budget used to be about \$600; last year it was more than \$12,000. A reserve fund of several thousand dollars is maintained for emergencies.

Whether the investment has paid is interestingly discussed and illustrated.

detail some of the methods used and to summarize the results.

The new plan of maintaining an association office separate from any company influence, in charge of a man devoting his entire time to the work, has many advantages over the part-time secretary method still followed by many associations, even in large cities. Presidents come and go, but there is a continuity of administration that results in more accomplished with less effort. It is cheaper.

Members know where to find the association as represented by one who understands their problems and has time to assist in helping to meet them through drawing on the combined resources of all the craft. In constantly mixing with both field men and managers, the secretary learns to interpret needs; the value of suggestions and criticisms can be weighed and recommendations of definite action promptly placed before the president, the board of directors and various committees. Often the matter can be handled as regular routine, under a few guiding principles of experience. Being law-trained has been of advantage to the writer.

### Old Plan Greatly Limited

The usual purpose of a local association seems to have been largely limited to the holding of monthly sales talks, an occasional attempt—often unsuccessful—to secure protective legislation, and the consideration of grievances by an ethics committee. The value of the meetings was apparent only to those who attended, and the other benefits were largely overlooked because, owing to their nature, the members were not informed. Meetings, however good, do not appeal to some, so there was little incentive to increased membership and difficulty in collecting even the meager dues.

The Cleveland plan is an in-between-meetings service that starts in where

he appreciates reading the bulletin of it in his own home or office. This bulletin service has built up a large non-resident membership, and several home offices have asked to be on the mailing list.

### Good Reference Library

It is not especially hard to edit interesting bulletins from talks given at monthly meetings, but it takes time to train a man to give expert personal sales help. Thousands of telephone requests for technical information and various company practice have been answered. This has resulted in building up a good reference library and many statistical files. The value of this service to its members and the extent to which it is used is amusingly illustrated by the complaint of a certain publisher that his reference book has the smallest circulation in Cleveland of any city in proportion!

### Importance of Detached Viewpoint

It is obvious that an agent—or manager—will come to the underwriters' office and freely discuss a personal or agency problem when he would not consult a part-time secretary licensed in a competing company. In employing an executive assistant without previous insurance experience, the National Association placed its approval on the plan originated by the Cleveland association in 1919, by employing the writer, with the understanding that he would be licensed in none and the servant of all. The importance of a detached viewpoint is obvious.

Confidence is based on the presumption of character and ability. It is the opportunity to build up a personal acquaintance with nearly every member that gives the full-time secretary plan a stability otherwise unobtainable. The secretary becomes the custodian of the common joys and burdens of the craft, and holds in trust the accumulated experience of many. He becomes the

## Empire Mutual

Life Insurance Company

of the United States

KANSAS CITY, MISSOURI

"SAFE AS A GOVERNMENT BOND"

## The OHIO STATE LIFE

LIFE, HEALTH, ACCIDENT AND MONTHLY INCOME INSURANCE.

SEE → LATEST POLICIES AND AGENCY CONTRACT FOR FACTS

Openings Ohio, Ind., Ky., Mich., W. Va., Tex., Okla., Pa. and Calif. Write Columbus

## FOUR YEARS YOUNG

### Our Business in 1924

Income \$608,000.....Gain 13+%  
Assets over \$1,100,000.....Gain 25+%  
Capital and Surplus over  
\$358,000 .....Gain 14+%  
Savings in Mortality \$73,000 or... 66 %

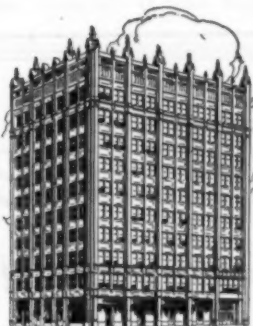
We have paid to our Policyholders or their beneficiaries since our organization started—\$202,476.15.

### SALESMEN WANTED

Minnesota, Iowa, Nebraska, Missouri, Kansas, Arkansas and Oklahoma.

**NATIONAL RESERVE  
LIFE INS. CO.**

GEO. GODFREY MOORE, President  
Topeka, Kansas



New Home Office Under Construction

## THE MUTUAL LIFE

The Mutual Life Insurance Company of New York has a record of EIGHTY-TWO YEARS of prosperous and successful business. It has passed through panics, pestilence and wars unharmed, and to-day, as a result of eight decades of endeavor, offers financial strength, reputation, magnitude, leadership, and life insurance service.

Those considering life insurance as a profession are invited to apply to

**The Mutual Life Insurance Company**

of New York

34 Nassau Street, New York

**National Underwriter Want Ads are Result Getters**

friend and counselor, not only of the members, but of the public and, increasingly, of the home offices.

#### Selling Conditions Improved

It is this tremendous accumulation of good-will, man to man, year after year, that has so greatly improved selling conditions in Cleveland. Men who are friends are fair competitors; they actually become co-operators in the common cause of protecting human life. I have known many cases where an agent of one company sold and delivered the other agent's policy, if the latter were sick or fairly entitled to the business but apparently unable to close the case.

Such a fine spirit in any organization is bound to result in more respect from without. An association that is incorporated, well financed and supported by the interest of its members is feared by wrongdoers—for very good reasons. It becomes known that a well-trained man is constantly on the lookout to protect members. Contact with the state insurance department is stronger; and in Ohio we have, in addition, built up the largest state association in the country, represented by 16 local associations, having a resident representative at the capital. This has made possible the securing of a very strong anti-twisting law and, a few months ago, an agent's qualification law along the lines of the model prepared by the committee of insurance commissioners—probably the best in the country. We were told it wouldn't pass, but it did.

Personal sales helps, protective legislation and a constantly increasing spirit of good will have been the outstanding results, and the old timers say it has been a cheap investment. The aim has been to make Cleveland the best city in the country in which to sell life insurance, and we modestly believe that it is today.

#### Offered to Whole Fraternity

Having spent upwards of \$50,000 in local association development during the past six years, the Cleveland organiza-

tion has made, available to the National Association the results of its many experiments. Methods that are apt to prove unprofitable to other associations have been tried and discarded for better ways. Through its representation on the national board of trustees the Cleveland organization has freely offered its experience to the whole fraternity. It is no secret that the pressure brought to bear by Cleveland and, through it, by the Ohio association, was a strong factor in deciding the National Association to employ an executive field assistant, who is very efficiently doing for the local associations in the country what the Cleveland association has long done for its members—give them something for their money.

#### Varied Service Given

Besides carrying on an extensive correspondence with other associations regarding the methods used in Cleveland, we have systematically supplied speakers for many other associations, and assisted in the organization of several new associations in Ohio, the last—Canton—already having more than 50 members. We supply extra copies of sales bulletins to the adjacent smaller associations, thus giving them a definite sales help to pass on to their members.

Just now we are developing a special sales service for industrial members, which will result in even greater support from that important source. Space permits only passing reference to the broad democratic administration worked out through an advisory board, an agents' council and equal representation of general and soliciting agents on the board of directors and all committees. The presidency is alternated between them. General agents and managers meet together as a committee within the association. There is confidence that all are working for the common good.

#### Diplomatic Angle

If, after having served as secretary of the Cleveland association since 1919, I were asked what is the most difficult

problem connected with life association work, I should say that it is not finances—the big bugaboo with most other associations—but the diplomatic angle. The big problem is to create good feeling and maintain it year after year, among natural rivals. It's easy for misunderstandings to arise among members. Into this situation the secretary can tactfully enter as a sort of champion of fair play and guardian of association honor.

The expense of opening an association office with a full-time assistant administrative officer in charge can be met at first by voluntary underwriting by the leading general agents and active producers who are willing to invest a few dollars to improve the business at which they are earning a living.

#### Plan of Financing

The Cleveland association started Oct. 1, 1919, with the pledges of about 30 general agents and managers to contribute \$10 per month and 85 special agents to give \$2 per month. This gave opportunity to show the doubters the service that could be rendered when full time were devoted to their interests.

When the usefulness of the new program was clearly demonstrated, the by-laws were amended, making the regular dues the amount previously contributed. The result was 100 percent increase of membership the first year. Income has since grown from about \$600 per year to more than \$1,000 per month for service to members.

#### Taken Up by Other Cities

Cleveland tried an experiment and it works. Other associations are adopting similar methods with equal success. The New York association doubled its already large membership and leads the country with 1500. Los Angeles has built up a tremendous increase. Pittsburgh and Detroit are well under way with the new plan, and Philadelphia is getting ready to do big things shortly. Cincinnati appointed a committee to investigate. Chicago is making a char-

acteristically thorough investigation, and recently had its president spend several days in Cleveland studying the methods.

Full-time secretary operation, giving intensive service to members at once will build up the National Association to the size its purposes merit. It is only a question of time before all the large cities throughout the country will be operating with an efficiency heretofore unknown. Home offices are lending encouragement. The public will receive the benefit of more skillful service and life underwriting will yet become, in the opinion of the public, the profession it deserves. Like insurance which it aims to serve, life association work has a bright future of the most useful and interesting development to society.

#### Farmers & Traders' Showing

The Farmers & Traders Life of Syracuse, N. Y., reports that April, which was observed as "President's Month," broke all records for production, having reached the \$1,105,000 mark for new applied-for and examined business.

Due to the large increase in business, the company has removed its home office from the Coal Exchange building at Syracuse to the Ennison building, where it has almost twice the space that it occupied in its former office.

#### Joins Aetna Legal Department

Lewis Berkeley Cox, Richmond, Va. lawyer, is giving up his practice in that city June 1 to become a member of the legal department of the Aetna Life at Hartford. He was graduated in law from Washington and Lee University in 1920 and has since been practicing his profession in Richmond. During the World War, he served as a first lieutenant with the Sixth division. He was wounded in the St. Mihiel engagement. The Distinguished Service Cross and the Belgian Order of the Crown were awarded him for gallantry in that engagement.

# W. A. Milder

## Northern Illinois Manager

is intensively and successfully developing his territory which includes the entire northern part of the state and extends south a little below Springfield. He is the sort of man you'll like—a man who will inspire you to greater accomplishments. He has gone up the life insurance ladder and knows the problems and difficulties with which the men in the field are beset.

He needs the help of real

### District Managers

If you are qualified, and would like to work with him and the Peoples Life "the company with a future for you," communicate with him at once, addressing the Home office.



Chicago, Illinois

There is a future for you  
As A District Manager  
for The Peoples Life



## SMITH IN HOT SHOTS

### REPLIES TO HERMAN L. EKERN

Wisconsin Commissioner Pays Respects to Attorney General and Defends Codification Bill

MADISON, WIS., May 13.—W. Stanley Smith, Wisconsin insurance commissioner, has showered another barrage on Attorney General Herman L. Ekern. Mr. Smith asserts in his communication that Mr. Ekern could not without prejudice appear before the legislature in opposition to the insurance codification bill. In his letter Mr. Smith discusses Mr. Ekern's earning capacity as attorney general, and as a lawyer outside of the attorney general's office. Some choice excerpts from Mr. Smith's letter are appended:

"I frankly believe that you are biased and prejudiced and I challenge your moral or legal right to advise the senate on this bill without full disclosure, as provided by law, of the interests you represent."

#### Comments on Revisor

"One other correction. You say the revisor of statutes should have made the revision. The revisor of statutes was frequently consulted and his advice and his counsel was very helpful. The revisor of statutes has been frequently criticized by the legislature, in days gone by, for attempting to make any change in the existing laws. He could not make all or any of the changes necessary to make a harmonious and effective insurance code, and you well know this to be a fact. Such a fallacious argument only shows the weakness of your position."

#### Position on Fraternals

"Many of the members of the legislature are members of certain fraternal societies and while there is nothing in the bill detrimental to these societies, you have cleverly aroused their fears to assist you in defeating the provisions of the bill that do affect other branches of insurance. The premiums collected by all the fraternals combined amount to only about one-eleventh of the total premiums collected each year in the state, and of the 68 fraternals doing an insurance business in the state only a very few are opposing the bill in so far as I have been informed."

#### NOTICE ON PUBLICATIONS

MADISON, WIS., May 13.—Herman L. Ekern, attorney general, has served the following notification on all newspaper agencies operating in Madison with reference to the Smith letter: "Letter dated May 12 signed W. Stanley Smith addressed to me and which I am informed has been given to the press for publication today and which insinuates that in appearing before senate committee of the whole April 29 last, I acted as a lobbyist and as a representative of insurance interests is false and libelous and publication carries responsibility."

#### Houghton With Aetna Life

Harry E. Houghton, an advertising and sales research specialist of wide experience, has been appointed by Vice-President Kendrick A. Luther as head of the life advertising and sales promotion section of the Aetna Life. Mr. Houghton goes to the Aetna Life from the Life Insurance Sales Research Bureau, where he has been engaged in perfecting the work of distribution. Previous to his connection with the bureau, he served as sales promotion executive for the Burroughs Adding Machine Company of Detroit.

It was while making various sales analyses for the Burroughs interests that Mr. Houghton had his first intimate view of life insurance. He spent several months making an investigation of the sales and service methods of seven of the country's largest life companies, including the Aetna Life.

## MAY HAVE CONFERENCE

### NEWSPAPER ACCIDENT POLICY

Companies Will Discuss the Different Features of the Special Contract That is Offered

The companies writing newspaper accident policies were to have had a meeting in Chicago this week, but it was found that Vice-President A. E. Forrest of the North American Accident was not in the city and so the meeting has been postponed. The Federal Life's newspaper policy for \$1 issued through the Chicago "Tribune" has caused a commotion in that particular line of business. The Federal policy was more liberal than anything that had heretofore been offered and the price was lower. It is estimated that there are about \$2,000,000 annually in premiums to be had in the newspaper field.

#### Companies Writing the Class

Companies writing this business beside the Federal Life are the National Casualty of Detroit, Continental Life of St. Louis, North American Accident of Chicago, Inter-Ocean Casualty of Cincinnati and the Great American Casualty of Chicago. An attempt was made in the past to get the companies together, especially after the Federal Life started in the field, but before it had made its deal with the "Tribune." Nothing came out of this. After the Chicago "Tribune" policy was advertised, it seemed impossible to make other contracts, because the newspapers demanded that the Chicago "Tribune" form be duplicated. Those who have gone into the situation carefully, say that until some kind of an understanding is reached among the companies there will not be much of this kind of business written unless the Federal Life policy is offered.

The other companies do not seem willing to offer a policy with no occupational restrictions and they want a closer age period. It is stated that the National Casualty has put a contract in competition with the "Tribune" policy in Detroit papers, but it is not disposed to extend it generally. The Federal Life has sold upwards of 300,000 policies. In fact the last issue of its agency bulletin stated that \$338,000 in business has already been done on the "Tribune" contract.

Some of the other companies claim that no money can be made on this policy at \$1 net. The Federal Life however declares that it had the contract checked back and forth actuarially and with its great spread it will be able to come out without a deficit. One company is known to have as high as 120 contracts with newspapers. It is said that there are between 600 and 700 papers that are carrying or have carried an accident policy feature with a view of building up circulation.

#### Originated in England

Perhaps the best experience is that of the English companies and newspapers, where the idea originated, but this experience is not available in this country. All the companies except the Federal Life are firm in the belief that the policy cannot be carried for \$1. One underwriter makes the comment that because the "Tribune" readers are of exceptionally high grade for a daily newspaper, the losses will perhaps be less under the "Tribune" policies than those issued by most other papers. This is only speculation, and no experience worth while has been gained as yet. The companies like this class of business because it gives them a lot of free advertising. They have also made money on it in the past. But until some different basis from that of the Federal Life contract is arrived at, the business is clearly in a chaotic condition and not much will be done towards getting in that available \$2,000,000 income until at least a small margin of profit can be shown.

## Cathedral Builders

Each is a cathedral builder—whether he be architect, master mason, or apprentice helper. And each is therefore entitled to respect.

In the institution of life insurance every man and woman, in field or in Home Office, is a builder in the great temple of life. Each is therefore entitled to respect.

And in this organization the man or woman whose production is small is held in the same fraternity as the man or woman whose figures are in the million, provided only that conscience, loyalty, and industry animate the work.

We have room for men and women of high ideals, who believe that life insurance is one of the supreme forms of social service.

## The Penn Mutual Life Insurance Company

Philadelphia, Pa.

Organized 1847

THE Company with the personal contract offers excellent openings to clear-thinking, red-blooded agents who like to cooperate with the home office and who will in turn be given every possible aid in their development.

Write or wire for further information

## SAN JACINTO LIFE INS. CO.

Beaumont, Texas

H. M. HARGROVE, President

INDIANA OHIO ILLINOIS IOWA MICHIGAN

## THE LA FAYETTE LIFE

LA FAYETTE, INDIANA

## MUTUAL LEGAL RESERVE

AGENCY CONTRACTS CONTAIN BENEFICIARY PROVISIONS

KANSAS KENTUCKY MISSOURI NEBRASKA

## The GLOBE MUTUAL LIFE INSURANCE COMPANY

OF CHICAGO, ILL.

## PROGRESS OF THE GLOBE

Estimated Results for 1924 Over Last Five Years

GAIN IN INTEREST INCOME	382 PER CENT
GAIN IN ASSETS	319 PER CENT
GAIN IN INCOME	95 PER CENT
GAIN IN INSURANCE IN FORCE	85 PER CENT
AVERAGE GAIN OVER LAST FIVE YEARS	220 PER CENT

The above figures are the results of the highest grade of service to policyholders and representatives. The latest is

### CLAIMS PAID BY TELEGRAPH

To which have been added

### CLAIMS ADJUSTED BY RADIO

It is the last word in

### SERVICE

T. F. BARRY, Pres., Gen. Mgr. and Founder.

A text book for beginners, a review book for experienced men, a book that every life insurance man should have—Jacob A. Jackson's "Easy Lessons in Life Insurance." \$1.00, including Quits Book supplement. The National Underwriter, 1361 Insurance Exchange, Chicago.

## Provident Mutual

Life Insurance Company of Philadelphia  
Pennsylvania — Founded 1865

1865—SIXTY YEARS OLD—1925

**PROVIDENT** Agents in their approach have the advantage of the national advertising of the Company which is striking and original, and also of a Direct Mail Campaign.

### The Child's 20-Pay Life Optional Endowment Policy of the

## Great Republic Life Insurance Company of California

Protects both the child and its parents and includes waiver of premium in event of death or permanent total disability of the father, who is the beneficiary. Agents are enthusiastic over its wonderful selling features. If you are interested, write for copy of "Making Dreams of Your Children's Future Come True," and our attractive proposition to agents.

**J. R. RAILEY, Manager**  
Southwestern Department  
401-2 Mercantile Bank Bldg.  
Dallas, Texas

**E. L. BLACK, State Manager**  
P. O. Box 148  
Little Rock, Arkansas

**W. H. SAVAGE, Vice-President**  
Los Angeles, California



## Satisfied Policyholders

More than 29% of all business written in 1924 was placed on the lives of old policyholders. What better evidence could there be that policyholders appreciate the "golden rule" service of Iowa's Oldest Company?

Men desiring to become agents for a good, old line company will realize the advantage of a contract with this company of satisfied policyholders.

## EQUITABLE LIFE INSURANCE COMPANY OF IOWA

Founded: 1867

Home Office: Des Moines

## INSURANCE IN ORIENT

### ASIA LIFE OFFICIAL SPEAKS

**A. K. Taylor Gives Interesting Address  
in New York—Sales Demonstration  
by Hall**

NEW YORK, May 14.—The May meeting of the New York Life Underwriters Association Tuesday evening, which is the last dinner meeting of the year, was ladies night and the program was made both instructive and entertaining for their benefit. J. Elliot Hall of the Penn Mutual Life was the principal speaker. He talked on income insurance and made his address most practical by giving an actual sales demonstration before the audience. George S. Morrissey, New England Mutual, acted as his prospect.

Mr. Morrissey had time beforehand to muster all possible objections which are presented to the underwriter, but Mr. Hall was not told who was to act as his prospect until the meeting. The prospect did a most thorough job of objecting, but Mr. Hall was prepared to answer every one of them and held tenaciously to his program of a monthly income of \$100 for life. His demonstration, he said, was an example of the methods he actually uses in canvassing for income insurance.

### Shanghai Official Speaks

One of the most interesting features of the evening was an address by A. K. Taylor, secretary of the Asia Life of Shanghai, China, on life insurance in China. The Asia Life is a young company, but has made rapid progress and Mr. Taylor believes that it has a great future before it. Underwriting in China has its own peculiarities. The Chinese people are very much averse to talking about death, which puts one obstacle in the way of the solicitor, but this is counterbalanced by their desire for a large and impressive funeral. This latter characteristic is the basis of the chief appeal. The underwriter there cannot well talk income insurance for the wife, as it is common for one man to have several wives. The custom is to sell insurance for the benefit of one.

### Restricts Its Writings

The company will write only Chinese of the higher type. Mr. Taylor said that he experiences little difficulty in spite of the fact that he does not speak Chinese, because of the fact that most of the better class, especially in Shanghai, speak English. In his office there are 40 employees, some 34 of whom are Chinese, every one English-speaking. Prize winners in the membership drive in order of their standing were Joseph Schumf, New York Life; B. L. Lane, Equitable, and William G. Eisenhauer, Equitable. In the contest for the best suggestions for the improvement of the service of the association to its members, the winner of the first prize was William F. Hanna, Fidelity Mutual, with William G. Eisenhauer, Equitable, in second place and J. Elliot Hall, Penn Mutual, third.

### Shows Opportunities for Women

Benjamin S. Beecher, secretary of the National Guardian Life of Madison, Wis., has a signed article in the latest issue of the "Commerce Magazine," published by the College of Commerce of the University of Wisconsin, in which he urges women graduates of the college to enter the insurance field, to accept routine office jobs as stepping stones to larger fields of endeavor.

"Positions of responsibility cannot be held in the insurance business by persons who have not run the gauntlet of the dull routine," Mr. Beecher writes. "In the larger offices there are special lines of work available, such as personnel research, home nursing service, employees welfare, noon lunch management and many others."

## LIMIT ON ATTENDANCE

### KANSAS CITY GETS SCHOOL

**Pittsburgh University Course There  
Terminate Just Before Life Underwriters' Meeting**

KANSAS CITY, MO., May 14.—Assurance is now given that the Pittsburgh University course in insurance salesmanship will be given in Kansas City this summer. The course has been dated to end just before the opening of the life underwriters' National convention. Underwriters from outside Kansas City, therefore, can conveniently attend the school, and remain over the few additional days of attendance on the event. The school will continue nine weeks, July 27 to Sept. 26.

The school this year will show one radical difference from that of last year in Kansas City—the number of students will be limited. Only 85 will be permitted to matriculate. This is to keep down the attendance so that every individual will have the maximum of personal attention, opportunity to ask questions, and personal contacts with instructors and lecturers.

Another feature emphasized this year will be in the department of corporation business—and that is the smaller business. In the past, both in schools and meetings where corporation insurance has been featured, the tendency has been to discuss the larger policies, the men and the businesses with larger volume to protect and conserve. The small partnership and the small corporation, such as almost every underwriter is likely to run across even without special seeking, will be the subjects of the lectures and discussions—and the field work—in the school this summer.

Joseph E. Lockwood, general agent of the Provident Mutual Life, is chairman of the committee arranging for the school. A dozen general agents have guaranteed the minimum and the total number seems likely to be filled promptly.

## INSURANCE TO COVER LOANS

### Unusual Experiment in Connection With Borrowers on Policies Made by Federal Union Life

For some time past officials of the Federal Union of Cincinnati have been making test cases of policyholders to determine if they would be sufficiently interested in covering loans with insurance at a nominal term rate to warrant adopting the general practice. The results were satisfactory and in a recent letter to the field force, President Frank M. Peters authorized placing insurance on the lives of all policyholders who had borrowed on their policies, in an amount sufficient to cover the loan.

The insurance is on the net term basis, no commissions being paid. It is issued on the same basis as the non-medical policies issued by the company. Special applications are being sent to all policyholders who have outstanding debts. President Peters is of the opinion that this added service feature will materially increase the standing of the company in the territory in which it operates since there will be no deductions on account of loans when the policies become claims.

### George B. Ashelton

George B. Ashelton of San Francisco, for several months past assistant manager of the coast department of the California State Life, has been appointed manager of the department succeeding Charles W. Helser, who resigned this month to accept the presidency of the Western National Life, which is being organized by him.



**LIFE COMPANIES AFFECTED****Stock-Policy Plan for New Companies Proposed—Absurd Measure on Premium Refund**

Many bills affecting life insurance have been introduced in the Illinois legislature. The most absurd one is Senate Bill 184, which would require that on all endowments and limited payment policies hereafter issued, all premiums in excess of the ordinary life rate should be paid in addition to the death benefit if the assured die before the maturity of the endowment or before the limited payment policy becomes paid up.

**Sell Stock With Polleles**

House Bill 252 would allow a new life insurance company, while being organized with not less than \$200,000 capital or more than \$500,000 capital, to begin business when it has sold sufficient stock to make a deposit of \$100,000 with the state, and permit the sale of the remaining stock after the company is licensed to write insurance. This bill specifically authorizes the stock and policy contract that has aroused so much commotion in other states.

Senate Bill 320 provides for the admission and regulation of United States branches of foreign companies. Senate Bill 13 amends the present law to make life policies incontestable after two years. Senate Bill 363 and House Bill 187 are anti-twisting measures. Senate Bill 430 and House Bill 363 establish a fee of \$80 for publication of company statements.

**Liquidation of Companies**

Senate Bill 267 and House Bill 340 provide for the liquidation of companies to the insurance department. House Bill 538, while not referring specifically to insurance, limits the rate of interest on all loans to 7 percent, including commissions and all other inducements for the loan.

**ADOPTS NON-MEDICAL PLAN****Occidental Life of Los Angeles Joins Growing List of Those Writing That Class of Business**

LOS ANGELES, CAL., May 14.—Effective June 1 the Occidental Life will begin writing new insurance on the non-medical plan on ages 15 to 45 on male risks and ages 15 to 40 on female lives, in maximum amounts of \$2,000 on males and \$1,000 on females. Term insurance and children's policies will not be written on this plan but with this exception it will apply to all other forms of both participating and non-participating policies. For the present at least writing on the non-medical plan will be confined to qualified members of either the \$100,000 or \$200,000 production clubs of the company and to agency men on salary in charge of branch offices. Any agent or agency manager who is entitled to write non-medical must submit all of his business on this plan within the company's limit.

**Board of Trustees to Meet**

It is announced by President John William Clegg of the National Association of Life Underwriters that the board of trustees of the National Association will hold an important session at Briarcliff Lodge, Briarcliff Manor, New York, June 8. The purpose of the meeting is to discuss some new phases of National Association policy and plan further for the annual convention of the national body in September.

**Executive Committee Meeting**

There will be a meeting of the executive committee of the American Life Convention in Louisville, June 2, at the time that the Medical Section is meeting there. Aside from the members of the Medical Section a large number of officials of the American Life Convention companies will be present.

**PLANS FOR THE CONVENTION****Federal Companies at Indianapolis Announce the Program for the Meeting of the Agents**

INDIANAPOLIS, IND., May 13.—The agency convention of the Federal Savings & Insurance Company, the Federal Mutual Life and the Federal Automobile Association will be held in Indianapolis May 19-21. E. C. Ferguson, president of the Dunlap Club, will preside at the opening session. F. J. Haake of Chicago will be the toastmaster at the annual banquet at which Judge Charles J. Orbinson will make the principal address. Insurance Commissioner T. S. McMurray, Jr., will also give a talk. President J. R. Dunlap will give the address of welcome and Vice-President Glenn E. Harsh will be in charge of several of the important business sessions.

**Will Sell Stock to Individuals**

At the annual meeting of stockholders of the Continental Casualty and Continental Assurance, it was voted to sell \$340,000 par value of Continental Assurance stock now owned by the Continental Casualty at \$32.50 a share, the par being \$10, to Continental Casualty stockholders.

**Dr. Bousfield Is President**

Dr. M. O. Bousfield, first vice-president and medical director of the Liberty Life of Chicago, which is owned and controlled by prominent colored people of the city, was elected acting president this week. President Frank L. Gillespie, the founder of the company died recently. Dr. Bousfield will continue as medical director. He is a man of distinction and ability. The Liberty Life is operating in Illinois, Michigan, Missouri, Kentucky, District of Columbia and Maryland.

**"POST" INSURANCE ARTICLES****Lovelace Is Writing Series on Guiding Insurance Buyers for Important Evening Paper**

Griffin M. Lovelace, director of the Life Insurance Training Course, of New York University, has begun a series of copyrighted articles in the New York Evening "Post" to deal with all phases of life insurance. They will appear each Monday, Wednesday and Friday. The column is not written for insurance men but for the public and is entitled "Guiding the Insurance Buyer." The Evening Post is advertising this feature extensively. The first article on "Each Family's Insurance" pictures the immensity of life insurance today. One illustration given is that if the company should start now to pay out the \$65,000,000,000 of insurance in force at the rate of \$1,000 a day it would take more than 178,082 years until the entire amount had been distributed. Even at the rate of \$1,000,000 a day, the time required for distribution would be over 178 years.

**Mutual Benefit Men in Portland**

John R. Hardin, president of the Mutual Benefit Life, Oliver Thurman, superintendent of agencies, and Dr. William R. Ward, chief of the medical department, were in Portland this week on a tour of western cities. A meeting of the visiting officials with the Oregon division of the company was arranged by Stuart K. King, general agent at Portland. A banquet was held Wednesday night.

**Bankers Life Record**

The Bankers Life of Iowa set a record for new examined business in April with a total production of nearly \$16,500,000, exceeding the best previous record, made in March of this year. The New York agency has run 50 percent ahead of last year's production.

# MINNESOTA

The Pan-American Life Insurance Company wants to establish two general agencies in the State of Minnesota.

Our general agency contracts are liberal and to the right men reasonable financial assistance will be given for the proper development of the territory.

Pan-American Service includes both Standard and Substandard Insurance, Group Insurance and Child's Educational Endowment. The Company also has a most complete line of both Cancellable and Non-cancellable Accident and Health Policies.

Our Field Service Department not only assists in locating and training new agents but secures prospects and arranges interviews.

**Address**

**E. G. Simmons, Vice President and General Manager**

## Pan-American Life Insurance Company

**NEW ORLEANS, U. S. A.**

**Crawford H. Ellis, President**

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN P. WOHLGEMUTH, Secretary; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern, Manager; FRANK W. BLAND, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

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Subscription Price, \$3.00 a year; in Canada, \$4.00 a year. Single Copies 15 cents  
In combination with National Underwriter (Fire and Casualty) \$5.50 a year; Canada \$7.50

### Duty of Insurance Departments

THE status of the UNION NATIONAL LIFE in Texas brings up the question of what state insurance departments are for. There have been several disgraceful failures in recent years, all reflecting on the efficiency of state supervision.

It has always been supposed that the first duty of an insurance department is to protect the public. The commissioners possess ample powers to learn all about the financial condition of companies that report to them. A bad failure is a reflection on the department.

Insurance, like banking, is dependent on the confidence of the public. Premiums are paid to the companies on trust. Anything that shakes that confidence is injurious to the sound companies.

The companies oppose on the one hand nagging interference from the departments, and on the other demand that regulation be strict enough to protect the public. The home companies want the certificate of the insurance department to assure the public of their reliability, and still some of them need "nursing" until they become established.

Any insurance department should know its home companies well enough to know what favors can safely be extended to them. The home state should always be responsible for its own companies.

The failure of any company should put its home department under suspicion

in other states. In other words, if a company fails, the INSURANCE COMMISSIONERS CONVENTION should take independent action in regard to other companies in the same state. The failure is evidence that the home department is not functioning properly, and is a warning to other departments to be on guard. It would not be going too far to require a convention examination of all companies hailing from a state where a failure has occurred.

This would tend to stiffen up all departments. Insurance departments are always somewhat influenced by the home companies, and there has been too much laxity due to an unwillingness of such companies to appear to harass a competitor. Yet there have been too many failures, and the influence of all insurance men should be used toward tightening up on supervision.

Whatever other activities a department may engage in, there can hardly be a negative to the proposition that its first duty is to maintain the solvency of the companies it is supposed to supervise, and to stop their activities before there is danger of loss to the public. No department will confess itself surprised when a company fails, because that would be to confess incompetence. There may be a question of how much leniency should be extended, but it is time for a tightening up all along the line.

### Life Insurance Provided Education

A HUMAN interest story concerning Secretary WILLIAM ALEXANDER of the EQUITABLE LIFE of New York is told in the current "Agency Items" of the company. It follows some comment on the oldest life company in this country, the PRESBYTERIAN MINISTERS FUND, which began business in Philadelphia in 1759. It seems that Mr. ALEXANDER'S

mother received an annuity from the PRESBYTERIAN MINISTERS FUND, as her husband had a policy in that company. On account of this annuity Mr. ALEXANDER was able to obtain a college education, the proceeds being used to that end. The educational fund value of life insurance, now so much emphasized, has long been manifest.

### Sound Comment on Life Insurance

ONCE in a while a daily newspaper has an editorial on insurance that is well worth while. It shows a vision and a grasp of the significance of insurance. It is a pleasure always to reproduce comment made by these forward-looking papers. Recently the Atlanta, Ga., "Journal" had a very sound editorial on the growth of life insurance. It was as follows:

There could be no better omen for the year than the fact that during the first three months life insurance policies were taken out in the sum of \$2,421,000,000. This record of American thrift and thoughtfulness exceeds that for the corresponding period of 1924 by 11 percent. In January of this year the new policies amounted to \$753,914,000; in February, to

\$773,148,000, and in March, to \$894,391,000—a progressive increase witnessing to good times as well as to good purposes.

The new insurance written during the current year's first quarter is almost a billion dollars above the total amount in force in 1880. In this wonderful growth may be read much of America's happiest history. A growth it is of ideals, no less than of resources. For millions of persons today life insurance is not only a protection, nor only an investment, nor only a business asset, though undoubtedly it is all these; but it is an opportunity for the expression of their heart's highest promptings and for bringing noble visions to pass. Homes thus are fortified, colleges endowed, philanthropies vouchsafed, and the earth-pilgrim of a few score years enabled to live through unnumbered generations in lives made fairer by his faith.

## PERSONAL GLIMPSES OF LIFE UNDERWRITERS

**M. C. Dowdell** of Artesian, S. D., has been establishing a record for himself as district agent for the Montana Life. Mr. Dowdell is only 22 years old. He never tried to sell life insurance until five months ago, when he joined the G. A. Thompson agency of the company and now he stands within five places of the leaders of all full time agents.

Insurance men took a prominent part in the two-day meeting of the American Construction Council in New York City last week. **Walter Stabler**, controller of the Metropolitan Life, made what was regarded as the most important suggestion of the first day's meeting, at which plans for improving the quality of materials and workmanship in the erection of homes and other buildings were discussed. Mr. Stabler proposed the establishment by banks and other money lending institutions of a bureau to inspect and certify to the character of buildings which they finance. He said that money lenders could exert greater influence for better homes than any other agency because they could withhold loans from enterprises that fail to meet their standards. This plan has already been tried successfully by the Metropolitan Life, which has architects and other experts to supervise construction work.

According to Mr. Stabler, 90 percent of the building in the United States is done by speculative builders, some of whom have no pride in their work. These builders put up houses that are difficult to keep warm and have to be virtually rebuilt within 10 or 12 years. He said that the only way to make such builders put up decent houses is to subject them to control by the people who loan them the necessary money. His proposed better building bureau would issue certificates of character to builders who do their work properly. When a house is well built, the bureau would issue a certificate reading, "This is a Class A house," which could be framed and hung in the house when it is on sale. This plan received hearty endorsement at the meeting on the part of **Richard Deming**, vice-president of the American Surety and chairman of the council's committee on proper financing of homes.

Mr. Stabler was one of the four members elected to the board of governors of the council to fill vacancies.

**Jules Girardin** of Chicago, general agent of the Phoenix Mutual Life, and one of the veteran life insurance men of the city will celebrate his 70th birthday June 6. Mr. Girardin became general agent of the Phoenix Mutual in Chicago in October, 1890. He will therefore round out 35 years of service with the company this year. Mr. Girardin served for two years as president of the Chicago Life Underwriters Association and has been prominent in the life insurance activities of his city. He was formerly located at Galveston, Tex., where he was in the fire insurance business. There are but few life insurance men in Chicago that were in the service at the time he took hold of the Phoenix Mutual. All who know Jules Girardin have a great respect for him. He is one of the most popular life insurance men in the country.

**Darwin P. Kingsley**, president of the New York Life, introduced a rather startling subject at the annual meeting of the Chamber of Commerce of New York State last week when he began a discussion and critical estimate of a painting, "The Only Hope," by George Inness. A motion had been made to exhibit the picture over the country under the auspices of the chamber, especially in schools and colleges, with the idea of promoting spiritual ideals. Mr. Inness, son of the late George Inness, American landscape painter, has made the Christ child the central figure of the picture with intent to illustrate that the world's

only hope is to be found there. Mr. Kingsley objected that this would put the chamber in the position of sponsoring a given religion, which might create dissatisfaction in the organization, all the members of which are not of the Christian faith. Discussion grew warm until it became apparent that Mr. Kingsley's views should prevail, when **Frederic H. Ecker**, vice-president of the Metropolitan Life, who had just been reelected president of the chamber, moved to lay the matter on the table. The motion was carried.

**Charles M. Keefer**, of Lincoln, Neb., state agent for Nebraska of the Kansas Life, has been using in his canvassing and preliminary work with effectiveness a little pamphlet of poems of his own composition. Mr. Keefer has been able to touch the poetic lyre so neatly as to embody most of the standard appeals in the sentiments that life agents use in a pleasing form, besides some touches of his own in homely style. Two good-sized policies recently sold were traced by Mr. Keefer to the use of this pamphlet.

**James Dunbar**, senior member of the firm of Dunbar & Long, general agents at Salina, Kan., for the Royal Union Life, died there recently. At the time of his death Mr. Dunbar was 52 years of age. His life insurance career had extended over a score of years. The firm had formerly represented the Great State Life of Wichita and connected with the Royal Union when it took over the business of the Wichita company.

**Chas. M. McCabe**, formerly postmaster of Nashville, now president of the Cotton States Life of Nashville, has been elected president of the Chamber of Commerce of that city. The merger of the Cotton States and Lincoln has put the former company into the larger class of industrial companies. It also does an ordinary life business.

**J. Gault Kingsmill** of Toronto has established a new record for monthly production in Canada. Working in the 30 days between March 7 and April 7, Mr. Kingsmill paid for 171 policies for a total of \$187,000. The previous record was held by J. P. Williams of Pictou, who had paid for 158 policies in one month.

Hoge Memorial team, captained by **Herbert N. Jenness**, chief clerk in the Richmond, Va., office of the Mutual Life of New York, is at the head of the column in the Sunday School Baseball League of that city. Captain Jenness plays second base on the team. The team of **Neil D. Sills** Bible Class of the Centenary Methodist Church has been emulating Ty Cobb's Tigers by trailing toward the rear in the pennant race but the team is now staging a comeback and like the Tigers expects to be up near the top of the ladder before the season is very far under way. Mr. Sills is manager at Richmond for the Sun Life of Canada.

**James Patrick Conley**, premier pitcher of the Texas League, and a hurler sought for several years by the big leagues, has signed up a contract with the United Fidelity Life of Dallas and is now selling life insurance as a side line. The "Sniper," as Conley is affectionately known to 50,000 baseball fans in Texas, is making good as a part-time agent and says he will probably take up the vocation for good in a year or so.

**Jack Kornfield** of Wilkes-Barre, Pa., who has been writing life insurance scarcely two months, won first honors in the recent ten-day drive of the Equitable Life of New York, in honor of President William H. Day. Mr. Kornfield started to write life insurance March 3. His first month in the business he delivered \$100,000 of new business. In the recent sales campaign, lasting only ten



May 15, 1925

days, he sold 108 new policies, or a little better than ten a day. In 40 days Mr. Rutherford Moore has delivered \$300,000 of new policies.

Vice-President J. J. Harrison of the Home Life of Little Rock has been selected by the executive committee of the community chest organization of that city to direct a campaign for Little Rock's 1925 budget for charity and service organizations. Mr. Harrison is head of the field department of the Home Life and is regarded as an organizer of unusual ability.

Rutherford Moore, son of Vice-President C. I. D. Moore of the Pacific Mutual Life, a young man only 26 years of age, who went into partnership with

Danford M. Baker, Jr., son of Vice-President D. M. Baker of the Pacific Mutual, is reported to be having very fine success. The firm of Baker & Moore wrote about \$1,000,000 in April. Young Moore has been selling life insurance for two or three years and his partner was the leading producer of the Pacific Mutual in 1924 and a "delegate" to the all-star convention of the "Insurance Salesman." The fathers of both young men are very happy and swelling with pride to note their progress.

Mrs. Alice Glynn-Dougherty, mother of Lee J. Dougherty, secretary and manager of the Guaranty Life of Davenport, of which his father was one of the founders, died there last week. Mrs. Dougherty was 75 years old and had resided in Davenport 64 years.

## LIFE AGENCY CHANGES

### GOES TO SPRINGFIELD, MASS.

Elmer C. Brock Becomes General Agent of the Aetna Life, Succeeding Henry Farmer, Resigned

Elmer C. Brock, formerly connected with the Seattle, Wash., general agency of the Aetna Life, has been appointed general agent at Springfield, Mass., effective June 1. He will succeed Henry Farmer, resigned.

Mr. Brock, who has proved himself to be a personal producer of exceptional qualifications, has had several years' sales experience in lines other than life insurance and has undergone a practical training in the organization and development of sales staffs.

His earliest managerial experience was with the Bridal Veil Lumber Company at Hood River, Ore. Following this he studied the retail shoe business in Portland and later established a business of his own, selling men's wear. He became interested in the wholesale end of the business a few years later, and in 1916 accepted a position as branch manager of a prominent men's wear concern in Seattle.

He continued with this concern until 1924, when he entered the life insurance business, after having convinced himself of its possibilities and the future it offered. He joined the J. H. Baird agency at Seattle, and was quick to show outstanding qualities both in leadership and production.

### O. Sam Cummings

O. Sam Cummings, associated with the Orville Thorp agency of Dallas, Tex., state managers for the Kansas City Life for the past three years, has resigned his connection to accept a place with a big realty firm in Florida. He was a partner in the Thorp agency. He was a member of the educational committee of the North Texas Association of Life Underwriters and inaugurated the course in life insurance at the Southern Methodist University at Dallas. He formerly was a member of the executive committee of the National Association of Life Underwriters.

### A. C. Dolmyer

A. C. Dolmyer, who has been general agent at Los Angeles for the Montana Life, operating under the title of Pacific Coast Agency, has retired from the life insurance business. The Los Angeles office will be under the direction of S. W. Davidson, agency supervisor for California, until a new general agency is established.

### E. L. Simmons

The International Life has been admitted to Louisiana. E. L. Simmons has been named general agent for the company in Baton Rouge, La. It is planned to organize the state by appointing general agents in all of the more important cities.

### ANNOUNCE SEVERAL CHANGES

Minnesota Mutual Life Makes a Number of Appointments in Agency Department

The Minnesota Mutual Life has announced a number of agency appointments. C. H. Lathrop, formerly general agent for the Western Union Life in Montana, has been appointed general agent for the Minnesota Mutual in Montana, with headquarters at Billings. Mr. Lathrop was with the Western Union Life for ten years and formed an agency which produced nearly \$2,000,000 a year. More recently he has been in Los Angeles with another company and is now returning to his old territory.

Walter J. Dwyer has been appointed general agent for the northern half of Indiana, with headquarters at Indianapolis. Mr. Dwyer was with the Equitable Life of Iowa for ten years and led its entire field forces two years and led year paying for \$750,000 of personal business while his agency paid for \$2,000,000.

W. I. Overstreet has been appointed general agent at Lexington, Ky. Mr. Overstreet was formerly manager at Louisville for another company, and has had a number of years' life insurance experience.

Harold E. Shepard has been appointed general agent for the Aberdeen, Wash., district. Mr. Shepard has been with the Bankers Life at Seattle for several years.

Jenkins & Minchin, a partnership composed of P. Frank Jenkins and A. W. Minchin, has been appointed general agent at Tacoma, Wash. Both members of this firm have had several years of active life insurance experience.

### Sam M. Cox & Co.

Sam M. Cox & Co., one of the largest general agencies in Portland, Ore., has been appointed general agent for the Montana Life for northwestern Oregon. The independent agencies heretofore established in Portland by B. Baurtschmidt, Joseph A. Whetstone and John Curran will continue to operate. Sam M. Cox & Co. have maintained a life insurance department for five years and have developed a good life insurance business.

### J. L. Hutton

J. L. Hutton, formerly of the firm of Hutton & Hodges, general agents of the Atlantic Life for northern Alabama with headquarters at Huntsville, has acquired the interest in the agency of his partner and has assumed entire charge of the general agency territory. Mr. Hutton went to the Atlantic as one of its general agents for northern Alabama in August, 1924, after a successful career as district agent at Huntsville for the Penn Mutual.

### James L. Brown

James L. Brown has been appointed district manager at Richmond, Va., for



## "Ordinary Life if You Die Optional 20-Pay Life or Endowment if You Live!"

That is exactly what our "Complete Protection Policy" provides. Here is a policy that you can sell—there is a definite tangible demand for it. Haven't you had many cases where because a man had to think of his family's immediate protection he chose ordinary life instead of 20-pay? Of course you have. Would a 20-pay policy paying if he died before the 20 years, the regular ordinary life benefit that his premium would have purchased, have interested him? Of course it would—just as it is interesting you this minute.

The National Savings Life is a growing company. We are operating in Kansas, Missouri, Arkansas and Illinois. We have an attractive line of policies, believe in and give sincere service and are backed by men of integrity, purpose and of proven worth. We want men—real men to represent us.

Let us show you that you can do it better with the National Savings Life. Address Louis A. Boli, Jr., Vice-President and Agency Director, Wichita, Kansas, for full particulars.



The  
**NATIONAL SAVINGS  
LIFE  
INSURANCE COMPANY**  
National Savings Bldg. Douglas at Emporia  
WICHITA

## Springfield Life Insurance Company

A MUTUAL LEGAL RESERVE LIFE INSURANCE COMPANY

HOME OFFICE: SPRINGFIELD, ILLINOIS

## AGENTS WANTED

We offer to Agents who CAN—

- (1) Liberal first year commissions
- (2) Liberal renewals—thus insuring a permanent income
- (3) Actual—not promised—home office co-operation
- (4) Large actual prospect lists

Business in Force \$80,000,000

George Hawkins Supt. Agencies  
Springfield, Ill.

A. L. Hereford, President  
Springfield, Ill.



OUR FIELD

Over a million and a half paid to policyholders in this territory.

Eleven million people within two hundred and fifty miles of our Home Office—plenty of opportunity for a good man.

We still have a few good openings.

Direct General Agency Contract—liberal commissions—but we are "hard-boiled" on advances.

**COLUMBIA LIFE  
INSURANCE COMPANY**

Cincinnati, Ohio

S. M. CROSS, President

## "Eliminate waste to assure abundance"

—COOLIDGE

IN President Coolidge's inaugural address, every life insurance man must have recognized in his appeal for economy and conservation, the very sentiments underlying the whole structure of Life Insurance.

Life Insurance provides the best method for the carrying out of his plea for thrift.

The Northwestern National Life is a strong mutual legal reserve company supplying a wide range of insurance service to meet every demand.

Opportunities for direct agency contracts are open in Southern Indiana, Southern Illinois, Missouri, Kansas, Arkansas, Utah, Pennsylvania, Eastern Tennessee, Louisiana and Virginia.

## NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

Minneapolis, Minn.

Do your fellow agent a good turn—get him acquainted with The National Underwriter, the real insurance newspaper.

# Illinois Is Open

to the man who can write a fair volume of personal business while creating a substantial General Agency.

We offer that man a plan that will **Assure Success**. This is open to a man of real ability, a man who has the will to win.

Are you that man?

Then write to:

The  
**Midland Mutual Life Insurance Company**  
Columbus, Ohio

**"Its Performances Exceed Its Promises"**

the Reliance Life of Pittsburgh, his territory to include Richmond, Petersburg and Hopewell. For the past five years he has been a resident of Hopewell and has been prominently identified with business and civic activities there. For several years he was president of the Hopewell Manufacturers Association.

### E. G. Gearheart

President Rupert F. Fry of the Old Line Life of Milwaukee announces the appointment of Ernest G. Gearhart of Chicago as insurance assistant to the president. He will operate for the present in Illinois, Pennsylvania, Michigan and Iowa. He has established offices at 615 Insurance Exchange, Chicago. William S. Hanley, field superintendent of the Old Line Life, has been in Chicago

the past week in connection with establishment of the new office.

### Emmet J. Manche

Emmet J. Manche at Decatur, has been appointed supervisor of Philadelphia Life for Illinois, outside Chicago. He has located in 222 Citizens Bank building. Mr. Manche was formerly connected with the Standard Life and later with the International Life of St. Louis. He will organize in state.

E. L. Carson, manager of the Equitable Life agency for Wisconsin at Milwaukee, has announced the appointment of J. W. Steenis, until recently a notable agent at Madison, Wis., as assistant in the Madison territory working under R. L. Michel, district manager.

## EASTERN STATES ACTIVITIES

### INSPECTS N. Y. ASSOCIATIONS

W. H. Searle, Assistant to President Clegg, Visits Local Organizations in Seven Cities

PHILADELPHIA, PA., May 13—William H. Searle, assistant to John William Clegg, president of the National Association of Life Underwriters, has returned from an extended inspection trip to local life underwriters' associations in New York state. He addressed about 2,000 life insurance men during the journey.

Mr. Searle visited Albany, Watertown, Syracuse, Binghamton, Elmira, Rochester and Jamestown. He said on his return to headquarters here that the Binghamton organization impressed him as very up-to-date and enterprising in its methods and push. Mr. Searle declared that Binghamton had a real association under E. F. Coffin as secretary and that the other associations in New York state were not far behind Binghamton in aggressiveness and initiative.

All the New York state associations, Mr. Searle said, favored the higher dues program as urged by President Clegg because they felt that this policy would bring the underwriters' organizations on a higher plane than ever before.

### "SPECULATION" DISCOURAGED

Hartford Court Holds There Can Be No Recovery on Policy Taken Out for That Purpose

HARTFORD, CONN., May 12—Speculation by taking out an insurance policy upon the life of an unrelated person not of sound health within the meaning of the law was discouraged by Judge Brown in the superior court at Hartford when he held that Vincenzo Columussi of Hartford could not recover insurance of \$1,632 from the Prudential, which had been applied for on the life of Maria Columussi, now deceased.

Columussi was her brother-in-law, and in a spirit of speculation, had her applied on Oct. 30, 1924, for a policy of \$1,000 in which he was named as beneficiary. He paid \$10 to accompany the application. She was examined and passed by the company's doctor. On Nov. 3, 1924, following the application, but before a policy was issued, Maria died. When the company refused to pay the insurance applied for, Columussi brought suit. In denying the claim of Columussi, Judge Brown said:

"Insofar as the evidence disclosed, Columussi was merely speculating upon the life of the insured, instead of participating in a bona fide life insurance transaction. Columussi and Maria were not related by blood, they were not husband and wife, they did not live together, and neither was dependent in any way upon the other. Apparently Columussi knew of Maria's delicate condition of health and realized the always possible fatal outcome of her shortly expected confinement."

In regard to the contention that Maria died before the policy was issued, the main ground on which the case was disposed of, Judge Brown said:

"In this case the insurance company at its home office in Newark, N. J., without any actual knowledge of Maria's death, apparently in the ordinary course of business, declined to issue the policy applied for, at least until an opportunity had been had to ascertain the outcome of Maria's pregnant condition and ordered its agent to repay the rendered premium. Therefore, the applicant having died and no policy ever having been issued, Columussi cannot recover in this action. The application merely constituted an offer to contract which the company never fully accepted."

### Buffalo Agency's Drive

Following presentation of the Eastern Century Banner to the Buffalo agency of the Equitable Life of New York recently, it was announced that May would be dedicated to Joseph E. Garin, member of the Buffalo agency in honor of his 18th anniversary with the company. The month will be known as "Uncle Joe" month, and an effort will be made by the local agency to surpass all previous months in the volume of business obtained.

Appropriate ceremonies marked the



presentation to the Buffalo agency of the Century banner for the highest number of contracts obtained in proportion to the number of men employed during 1924. The contest covered all states east of Ohio. Thomas A. Griffith, manager of the Buffalo agency, was master of ceremonies.

Mr. Gavin, one of the most prominent figures in the Buffalo insurance field, was the Equitable leader in the state of New York, outside of the metropolitan district, in the amount of insurance written and paid for last year. He was formerly manager of the Buffalo agency and resigned in 1921, when he was succeeded by Mr. Griffith, but has continued as an agent.

**Hooper-Holmes Men Banquet**

Over 60 were present at a dinner given in New York last week by the Hooper-Holmes Bureau to its inspectors in the metropolitan district. Addresses were made by Stewart M. LaMont and John R. Harris of the Metropolitan Life, Charles E. Anstette of the New York

Life and Charles Lackey of the Equitable Life.

**Mutual Life of Baltimore to Build**

Erection of the new home planned for the Mutual Life Insurance Company of Baltimore, will begin in the fall, according to present plans. The proposed buildings will occupy the site at the northeast corner of Charles and Chase streets, opposite the Hotel Belvedere, acquired by the company about a year ago.

The building will have six stories and will be for the exclusive use of the company. It will be constructed of Indiana limestone and will be imposing in appearance, occupying the entire Chase street frontage of 175 feet and having a frontage of 75 feet on Charles. The remaining portion of the Charles street frontage, about 65 feet, will be improved with stores having no connection with the main building. Final plans will be passed upon at a meeting of the board of directors in July.

**IN THE MISSISSIPPI VALLEY**

**ORGANIZE CODE COMMISSION**

**Superintendent Baker of Kansas Announces Plans for Revising of Insurance Laws**

TOPEKA, KAN., May 13.—Superintendent Baker is sending out to all insurance companies operating in Kansas and to all of the agents licensed in the state a formal announcement of the organization of the Kansas Insurance Commission. He is also sending a copy of the rules under which the commission will operate. The commission was authorized by the 1925 legislature to re-write the Kansas insurance laws. These laws have not been revised since 1872 and are a collection of additions and amendments and repeals until no one knows exactly what the Kansas insurance laws really mean in many respects.

The commission is composed of Superintendent Baker, chairman; Douglas Hudson of Fort Scott, H. K. Lindsley of Wichita, E. R. Sloan of Holton, John R. Thorne of Olathe. All of the members except Mr. Baker were members of the last legislature. J. D. M. Hamilton of Topeka has been appointed counsel for the commission. Clyde Miller of Topeka has been named as advisory member for fire insurance, and J. W. Graybill of Newton, grand master of the workmen, has been named advisory member for fraternal insurance.

**Want Suggestions in September**

The commission will meet late in May, then will take an adjournment to Sept. 21. Following the first fall meeting the commission will meet the third Monday of each month. There may be some special meetings as circumstances may require. It is proposed that the insurance companies work out whatever suggestions and proposals they may care to make relative to Kansas insurance laws and have these ready to present to the commission at its meeting Sept. 21. Following the proposals the members of the commission will return to their homes and consider the suggestions in the light of the present statutes and compare them with the statutes on the same subject in other states, and at the October meeting the commission is expected to set a series of hearing dates when it will hold sessions at which the proponents of any special statute will be heard by the full commission.

The commission has announced that it does not desire to hear directly from any insurance company or from any particular agent, but it desires that the companies and the agents work out their proposals through their associations and have them presented by these associations. In this way all the suggestions relative to life insurance will be com-

plied by the life insurance organizations and presented at one time, and the same plan will be followed by the casualty, fire and fraternal organizations.

**STARTS NEBRASKA CLEANUP**

**New Nebraska Commissioner in Campaign to Improve Agency Situation There**

LINCOLN, NEB., May 13.—Without waiting for the aid or consent of the state legislature in the matter of prescribing agents' qualifications, J. R. Dumont, state insurance commissioner—the title by which Governor McMullen has directed he be hereafter known—is proceeding to do cleanup work on his own initiative. The governor has given Mr. Dumont a free rein in the department, and has told him that all he wants is results.

Mr. Dumont will shortly issue a pamphlet briefly summarizing the insurance laws of Nebraska as they refer particularly to agents and agencies. No insurance code for the state has been printed since 1919. Mr. Dumont has sent out this summary of his agent cleanup campaign.

**Asks for Cooperation**

I cannot do the work alone, but if the companies and the general agencies will give me the assistance and cooperation they should, we can clean up the high-binders and commission grafters now operating in this state. As these men know very little about the policies they sell they do not know the severe penalties that the law provides for offenses that they are committing. For instance, the law provides for a fine not exceeding \$100 and imprisonment not over three months for twisting and rebating. Yet the first task I had on hand was to investigate two agents who were engaged in these illegal practices.

I want the general agents and the companies to notify me promptly whenever they take their contracts and supplies from an agent. If they will do this I can prevent men from continuing in the business when they have been guilty of improper practices. Only the other

**A Record of Service**

The year 1925 marks the seventy-fourth anniversary of the Massachusetts Mutual Life Insurance Company. Ever since 1851 this Company has furnished unexcelled life insurance protection at a low net cost and has maintained its record of unswerving loyalty to its policyholders. The years have brought wonderful growth and prosperity. To-day, as in the past, the whole personnel of the Company is imbued with the spirit of service, a spirit that permeates the entire activity of the organization.

JOSEPH C. BEHAN, Superintendent of Agencies

**MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY**

OF SPRINGFIELD, MASSACHUSETTS  
INCORPORATED IN 1851

**Eureka-Maryland Assurance Co.**

OF BALTIMORE, MD.

Incorporated Under the Laws of Maryland, 1883

WE ISSUE

**Standard Ordinary and Industrial Policies**

J. C. MAGINNIS, President  
J. BARRY MAHOOL, Vice-President

J. N. WARFIELD, Jr., Secretary-Treasurer  
Dr. J. H. IGLEHART, Medical Director

**Life Insurance for a Greater Number**



The scope of National Life service is evidenced by the number of applications received from the uninsured which average about 50% of the total. It is further evidenced by the fact that under 46% of the policies becoming claims the insured carried no other insurance.

A National Life Contract offers the opportunity for increased earnings through selling more insurance to more people. Top contracts available in choice territory.

**National Life Association, - Des Moines, Iowa**

**CAN YOU QUALIFY**

For a General Agency proposition in Missouri, Minnesota or South Dakota, with a Company which gives real service to its Agency force, and under direct Home Office connection.

**Des Moines Life and Annuity Co.**  
"The Company of Co-operation"

DES MOINES - - - - IOWA

**POLICY LOANS CAUSE LAPSES**

Have You found a way to stop this waste?  
Our plan IS saving millions for many Companies and is the result of twenty-two years of careful research and experience.

**THE OTIS HANN COMPANY**

10 So. La Salle St. Chicago, Illinois

**MUTUAL LIFE OF ILLINOIS**

HOME OFFICE  
SPRINGFIELD, ILLINOIS  
An Old Line Legal Reserve Life Insurance Company  
**A Company of Service**

**Service to Policy Holders** **Service to Agents** **Service to the Public**  
Operates under the Famous "Registration Act" which requires the reserve on every policy issued to be deposited and held in Trust by the Insurance Department of the State  
**Live Up-to-Date Policies** **Ordinary Life** **Limited Payment and Endowments**  
A few good openings for good live producers in Illinois. Correspondence Invited.  
H. B. HILL, President N. H. WALT, Vice-Pres. and Agency Director JAS. FAIRLIE Vice-Pres. and Actuary DR. J. R. NEAL, Sec.

day a company asked us to aid in collecting money one of its agents was owing it when he quit, but by that time he had a new license and was working for another company.

#### Selling Premium Notes

Another source of complaint—I have had six of them in the last two days—is the acts of agents in selling premium notes before they had delivered the policies. As these are only the instances where somebody has complained, it indicates that a lot of this is being done. I propose to stop it. If the companies will promptly notify me when they take up a man's contract and supplies, I will be able to straighten out such matters as these more easily and readily.

There is another matter I am taking up with the companies and general agents that should yield results. In the blank which the department requires every applicant for an agent's license to sign is a question as to previous occupation. I have been going over some of these, and it makes a record life men will not feel proud of. Here are some of the occupations listed: decorator, express messenger, telegraph operator, garage worker, restaurant keeper, attorney, retired clergyman, school principal, teacher, farmer, theatrical man, druggist, jeweler, rural mail carrier, barber, minister, oil salesman, stock buyer, clerk, groceryman, and so on.

It is time, it seems to me, to take up this matter of new agents seriously. When we turn loose a lot of men who

could not possibly be properly informed on the contracts they are to sell we are merely letting loose a lot of commission grafters. It means loss to the companies and makes harder the selling of contracts by professional agents. I have sent out a number of letters in the last few days to companies calling attention to the occupations given, such as decorator, and suggesting the wisdom of an investigation as to whether they are seeking licenses merely to write their own insurance or that of an employer. This is the first part of my task that I have undertaken. I can get results if proper cooperation is given me.

#### To Study Old Age Pensions

The nearest the recent Minnesota legislature came to adopting state insurance in any form was to agree to the appointment of an interim committee of five senators to make a study of the question of old age pensions. This action was taken on the final day of the session, the members of the committee to serve without compensation. They will report at the next session.

#### Great West's Minnesota Meeting

Minnesota agents of the Great West Life of Winnipeg held their annual conference at Minneapolis last week with more than 50 representatives present. Company executives present included

R. T. Riley, vice-president; C. C. Ferguson, general manager; William McQuaker, treasurer, and S. P. Hayden, superintendent. F. W. Atkinson, Minnesota manager, was in charge of the program which was devoted largely to sales talks.

#### Grizzard System Ball Club

The Chicago office of the Grizzard System will be represented during the 1925 season by one of the best semi-professional ball clubs in Chicago. The team will be identified with the Chicago League and will play every other Sunday in Chicago, and the balance of the games will be played with fast semi-professional ball clubs in Wisconsin, Michigan and Illinois. The club has played the last two Sundays, winning both games.

#### Group Policy for Ministers

John L. Peterson of Webster City, treasurer of the insurance fund of the Northwestern Iowa Methodist Conference, has just delivered a policy for \$268,000, covering the lives of the 134 active ministers in the conference. The policy was issued to the conference by the Mutual Life. Application for the insurance was made by Bishop Keene at

the meeting of the conference at Rapidwell City last October.

The policy is in the form of certificates insuring the lives of the pastor for \$2,000. At the death of the policyholder, \$400 will be paid to a pension fund for retired ministers and the balance will go to his estate. A disability clause provides for monthly payments, if the minister is forced to give up the pulpit because of an accident or illness.

#### Promote Diversified Agriculture

Hatcher Brothers of Fargo, general agents in North Dakota for the Great West Life of Winnipeg, are being credited with playing an important part in promoting diversified agriculture in the state. Some months ago the agency placed in banks throughout the state large posters on which farmers were invited to write the amount of money they derived from crops other than grain.

The idea made a hit with many farmers who had recently ventured into dairying, poultry raising and live stock feeding. Other farmers, still clinging to the one-crop system which has been so disastrous in many cases, would read the posters, note the revenue their neighbors were getting from cows and chickens and go home impressed with the idea.

In this way scores of grain farmers have been induced to diversify their operations, which is the thing business men of the state are seeking to encourage as the best road to prosperity.

#### End Three Months' Contest

The central department of the New York Life has closed its three months' contest covering production during February, March and April. Complete announcement of the results will be made at the celebration meeting to be held at the Edgewater Beach hotel in Chicago, May 18. Agents who have qualified by passing their allotment will gather from all parts of the central department for an all day conference with the home office officials. Vice-President T. A. Buckner, Superintendent of Agents Lindsay and W. H. Pearson, actuary, will be present from the home office. The department carries the three months' contest well in advance of the allotment set, paying for over \$32,000,000. The leading agency was the central branch office under the management of J. A. Campbell, which paid for \$7,700,000, a great increase over the same period of last year in spite of a reduction in his agency through the organization of a new agency.

#### Raise State Fund Limit

State fund life insurance policies as high as \$2,500 may be written by Wisconsin if a bill originated by Assemblyman Duncan of Milwaukee, which has passed both houses, is signed by Governor Blaine. The present limit of state fund policies is \$1,000.

The Duncan bill provides that the policy on a single individual shall be limited to one-half of 1 percent of the total insurance in force. This will immediately raise the limit from \$1,000 per person to \$2,500 and according to Commissioner Smith will then increase the limit to \$3,000 in six months and probably to \$5,000 within two years.

The original bill creating the state life fund provided a maximum policy limit of \$10,000. This was cut down to \$1,000 at the express demand of the insurance commissioner then in office, who refused to take an unfair advantage of other companies allowed by law to write only one-half of 1 percent of the total insurance in force.

#### National Guardian Eau Claire Rally

More than 50 agents of the National Guardian Life were present at a one-day convention at Eau Claire. Most of those in attendance represented the company in territory contiguous to Eau Claire, one of the largest delegations being that from Chippewa Falls. The meeting was sponsored by the agency of

## "What Can I Tell Him?"

**H**AVE you ever developed a sale to the point where your prospect is "on the fence"—where you say to yourself "What can I tell him. There's one spot where I could reach him. If I only knew he would be a protected man in two minutes?"

Every man has such a spot. It lies close to his greatest insurance need. The agent working under the American Central plan **knows** that spot. It is indicated on his **Surveyed Prospect Card**.

This is a part of the Plan. The pre-selection of prospects, the pre-approach, the canvass, control of the interview, close, the handling of notes, and a definite resale campaign are all parts of this Plan by which successful agents are professionalizing their insurance work and their insurance service.

We are now operating in twenty-three states, and under certain conditions will enter additional states. Details of the American Central Plan and our methods of operation will be given gladly to any one interested in considering a connection with us.



Perhaps the most comprehensive field development program in existence today. One phase is described in this advertisement.

# AMERICAN CENTRAL LIFE

INSURANCE CO.  
INDIANAPOLIS

ESTABLISHED 1899

HERBERT M. WOOLLEN, President

NUMBER FIVE IN A SERIES OF INFORMATION ADVERTISEMENTS



Archie Hurst. One of the big features of the meeting was the pledging by the agents of \$500,000 of new business for May, which with pledges from agents now in attendance brings the figure pledged close to \$750,000.

George A. Boissard, president of the

company, and Benjamin S. Beecher, secretary and agency manager, represented the home office. Archie V. Hurst, who established the Hurst agency 14 years ago, acted as chairman of the meetings and toastmaster at the banquet.

## IN THE SOUTH AND SOUTHWEST

### UNUSUAL CASE IN GEORGIA

**Prudential Seeks to Void Policies—Contest Also Over Who Shall Receive Proceeds**

AUGUSTA, GA., May 13.—Alleging that George A. Tarbutton, deceased, of Wrightsville, Ga., made false representations in securing life insurance policies for \$50,000 and \$5,000, the Prudential Life, in an equity suit filed in the United States court in Augusta last week, asks that these policies be declared null and void. Mr. Tarbutton died Feb. 17, 1925. For his death J. J. Tanner is now serving a life term in prison and C. G. Rawlings awaits trial on a murder charge.

It is claimed that Tarbutton made false statements as to the amount of insurance on his life at the time applications were made for the contested policies. It is also claimed that the insured did not disclose the fact that there was a conspiracy to kill him. Both policies were applied for May 2, 1924, and issued May 27, 1924. Tarbutton was killed Feb. 17, 1925, by J. J. Tanner, who claimed that it was accidental.

Both policies were signed over to the firm of Tarbutton & Rawlings, and Rawlings has filed affidavit for the collection of these amounts, the double indemnity clause in case of accidental death. H. F. Tarbutton, brother of the deceased and administrator of the estate, is contesting payment of this amount to Rawlings on the ground that Rawlings himself, together with Tanner, conspired to kill Tarbutton and by this act Rawlings has forfeited any claim to or interest in the policies. H. F. Tarbutton claims for himself as administrator the right to collect the insurance.

This is a very unusual case and its outcome will be looked forward to with interest by the life insurance fraternity.

### Lackey Agency's Good Record

The Oklahoma agency for the Massachusetts Mutual Life registered third in the United States, in the percentage of gain in paid-for business for the first four months of 1925, according to George E. Lackey, general agent. The agency shows an increase of \$914,583, or 50 percent over the volume of the same period last year. New York led and Baltimore ran second.

The local agency paid a pretty tribute to William W. McClelland, president of the company, on his 71st birthday recently. On that day the Oklahoma agency presented him with 41 applications for \$132,455.

### Fort Worth Wins Contest

The Fort Worth, Tex., agency of the Liberty Life defeated the Dallas agency in a contest for applications in April and as a result the Dallas agency was host at a picnic near Dallas last week. Some 75 Liberty agents attended the picnic. Vice-President Scott and W. G. Dorff of the home office attended the affair.

### New Record Is Established

April established a new high record for the Home Life of Little Rock, Ark., in new business, renewal premiums and net increase. There was more than \$1,000,000 gain in new business. The lapse ratio for the month was a little more than 10 percent. It is predicted that May will show a net gain of \$1,000,000 so that by June 1, the Home Life expects to have \$27,250,000 in force.

### OPTIMISTIC OVER OKLAHOMA

**Life Insurance Men There Consider That Prospects for Coming Months Are Very Bright**

OKLAHOMA CITY, OKLA., May 13.—With the adequate rainfall, coming as relief after the extended drought, prospects in Oklahoma, for a good year in life insurance, are very bright, in the opinion of George E. Lackey, general agent for the Massachusetts Mutual Life, and vice-president of the National Association of Life Underwriters. Except for the wheat crop, which suffered by the dry weather, farm conditions in the state look brighter than for several years. This crop can be redeemed by planting cotton in the abandoned acreage, and the loss be relieved.

Oil conditions have improved, as compared with the same time for several years. Mining interests, Mr. Lackey believes, are in much better condition, and on the whole he is very optimistic.

### RAIN REVIVES TEXAS BUSINESS

DALLAS, TEX., May 13.—General rains in Texas in April, followed by another soaker the past week, both characterized as \$10,000,000 rains by business men and farmers, put new life into the life insurance business of the state.

Before the rains of a week ago the situation in Texas had reached the point where every one was afraid to make a venture which involved finances. After the rains a feeling of optimism spread over the state. Good crops appeared assured. The farmers were in position to talk business and the business men were confident of the outcome.

In Texas practically the entire commercial world depends upon the crop yields. This is true in the life insurance game as well as other lines. When there are no good crops there is no business for the life insurance men. Hence the two general rains, at a time which insured the planting and chopping of a big cotton crop and almost guaranteed corn and melon crops, has pepped up the life insurance men and they are going after business with renewed energies, where two weeks ago they were fighting shy of seeking applications in the rural districts.

### WILL GO AFTER PART-TIMERS

**Will Present Them to Public as Pests and Will Prosecute All Cases of Rebating**

HOUSTON, TEX., May 12.—Members of the Houston Association of Life Underwriters voted last week to go after part time agents with hammer and tongs. President Ike L. Hill announces that the members will make every effort to rid the city of part timers and pluggers. A resolution was adopted to present the part timer to the public as a pest and not a true representative of the life insurance business. It was also agreed by the members to prosecute all cases of rebating, and to give all cases of this character the widest publicity and to see that the insurance commissioner is supplied with the facts in each instance.

The next meeting of the association will be held on June 2. Elmer S. Albritton of Dallas, ex-president of the Dallas association, will be the principal speaker.

### Disappearance Held Death

A special supreme court of Texas last week denied application for writ of error in the case of Sovereign Camp, Wood-



'Protector of the Home'

## In Five Years this Company has increased

its business in force.....147%  
its premium income.....133%  
its assets.....190%  
its reserves.....267%  
its surplus to policyholders..17.5%

## It's a good Company to tie to

For the right man, we will enter the State of Florida. Many opportunities are available in Ohio, Kentucky, West Virginia, Tennessee, Michigan, Pennsylvania, New Jersey, Mississippi, Arkansas, Texas, Nebraska and Iowa.

## THE OHIO NATIONAL LIFE INSURANCE COMPANY

CINCINNATI, OHIO

W. F. Macallister, Agency Mgr.  
T. W. Appleby, Pres.

# THE ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

## Strong and Progressive

Paid to Policyholders—  
Over—\$19,000,000.00

Insurance in Force—  
Over—\$138,000,000.00

A. C. Tucker, President

D. C. Costello, Secretary

Wm. Koch, Vice Pres.

## HOME LIFE

Insurance Company of New York

ETHELBERT IDE LOW,  
President

### The 65th Annual Report Shows:

Premiums received during the year 1924 ..... **\$8,003,453**  
Payments to Policyholders and their Beneficiaries in Death Claims, Endowments, Dividends, etc. .... **6,321,524**  
Increase in Assets **2,801,996**  
Actual Mortality 62.4% of the amount expected.  
Insurance in Force ..... **\$260,530,414**  
Admitted Assets **51,457,218**

FOR AGENCY APPLY TO  
W. A. R. BRUEHL & SONS  
General Managers  
Central and Southern Ohio and  
Northern Kentucky  
Rooms 601-606 The Fourth Nat. Bank  
Building  
CINCINNATI, OHIO  
HOYT W. GALE  
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CLEVELAND, OHIO

### Secretarial Position

A fast growing Life Company has position open for man who can handle duties of an Assistant Secretary. Must have executive ability, be good correspondent. Experience in Actuarial, Accounting and Policy Departments desirable. Prefer man near age 32 who desires to grow up with the organization. A splendid opportunity for man who can fit the place.

Give full details your experience in first letter, stating compensation desired.

Address N-98

Care The National Underwriter.



Stephen M. Babbitt  
President

Hutchinson, Kansas

men of the World, vs. Mrs. Bessie Davis, thereby sustaining judgments of the lower courts in favor of Mrs. Davis, who sued for payment of an insurance policy issued to her husband.

The fraternal refused to pay the policy because proof of death had not been furnished. Davis disappeared from his home in Galveston and after expiration of seven years Mrs. Davis filed suit. In awarding her judgments the courts held that her husband was legally dead.

Because members of the regular supreme court are Woodmen of the World they considered themselves disqualified to sit in the case. An entirely new court was appointed to hear and decide the case.

### Sends Out License Warning

Commissioner Wade of North Carolina has sent a bulletin to all insurance company officials and agents, calling their attention to the state law which requires every agent to have a license in his possession before soliciting insurance. He states that the department has had its attention called to the impression among agents that a person who had signed an agency contract with a company and made application for agent's license may write business pending receipt of the license. He classes this as in violation of the law and cites

the provision for \$100 fine for each offense.

### Life Talk at Rice Institute

One hundred students in the business administration class at Rice Institute, Houston, Tex., heard H. G. Hewitt, manager of the life department of Cravens, Dargan & Co., speak Tuesday on "Life Underwriting as a Career." Mr. Hewitt invited the students to seriously consider the profession and call on the company for any additional help.

This address is in line with several others Mr. Hewitt has made to state universities and important schools of the state. At the Wednesday night session of the life insurance school conducted by the company, illustrated talks on the development of the home office were given.

### Virginia Field Club Meeting

June 23 has been fixed as the date for 1925 meeting of the Virginia Field Club of the Mutual Life of New York. It is planned to increase the number of divisions from five to eight at the forthcoming gathering. Officers of the club are: R. B. Augustine, Richmond, president; W. O. Bristow, Franklin; C. E. Lindsay, Charlottesville; H. E. Hyatt, Norton; W. L. Pierce, Christiansburg, vice presidents; J. B. Hutcheson, Roanoke, secretary-treasurer.

## PACIFIC COAST AND MOUNTAIN FIELD

### PUSHES BUSINESS INSURANCE

Warren M. Horner Returns to Field at Seattle With Idea of Creating Definite Department There

SEATTLE, WASH., May 14—With an ultimate plan of creating a definite business insurance department in the Seattle office, Warren M. Horner, formerly of Minneapolis and nationally known as a life underwriter up to five years ago, when he entered the manufacturing business, has signed an agency contract with the Mutual Life of New York here. Mr. Horner still owns a controlling interest in the Mahr Manufacturing Company of Minneapolis, but his activity in the concern is limited to telegraphic reports. His residence in Seattle was taken up because of family ties and a liking for the Seattle climate. His only daughter lives in Seattle.

Mr. Horner declared that at no time in the five years of his absence from insurance work did he read an insurance journal, but that at no period in that time did he lose his high regard for the business of life underwriting. He declared himself as follows in announcing his reentry into the life insurance business:

"I have never lost the very strong conviction of the economic worth and beneficial value of life insurance; I only cast it aside for the time being because of what I considered opportunities in another vocation. A man can only do one thing well and now that I am back in life insurance I will give it the same enthusiastic effort I did before."

### April Was Record Month

The Western States Life of San Francisco reports that its April business was better than any previous April in the company's history and only exceeded by one month, March, 1925. The company paid for \$2,549,536, which was more than \$1,000,000 over any month except March, 1925. The company is now confident that it will pass the \$100,000,000 in force mark before its annual agency convention.

### Made Agency Organizer

A. L. Mendelson, who joined the forces of the West Coast Life last September, has made such a splendid record during his short association with the company that he has been appointed agency organizer at the home office.

Prior to this appointment he was in charge of the Richmond district. Mr. Mendelson is a brother-in-law of Ben Shaprow, popular and successful manager of the Equitable Life in San Francisco.

### Will Meet in Seattle

The western convention of the Penn Mutual Life, which will be attended by several hundred representatives from Rocky Mountain and Pacific Coast states, will be held in Seattle, Sept. 29-30 and Oct. 1. The delegation from the home office which will attend the meeting will include President William A. Law, Vice-President William H. Kingsley and Dr. Harry Toulmin, vice-president and chief medical director.

The committee of general agents in charge of convention arrangements includes Joseph F. Grant, Seattle, chairman; Seth B. Thompson, Portland; J. T. O'Brien, Spokane, and Robert T. Shipley, Billings, Mont.

### To Hold Regional Meetings

Occidental Life has discontinued its annual agency convention and instead home office agency executives will hold regional sales congresses at all branch office agency points in 1926. Selection of dates for these meetings will be determined by such local conditions as will best permit of agents' absence from their particular field. The company has branch office agencies at Visalia, Fresno, San Francisco, Salt Lake City, Portland, Seattle, Spokane, Great Falls, Grand Forks, Denver and Phoenix.

### Officials Visit Coast Agencies

R. G. Hunter, second vice-president and actuary, and P. M. Ray, assistant superintendent of agencies of the Equitable Life of Iowa, are making a month's tour of the company's far west agencies. They are conducting meetings and holding educational conferences in each agency.

Their visit includes the J. W. Fike agency, Denver, R. H. Sheldon agency, Los Angeles, W. G. Eader agency, San Francisco, Binder & Stahl agency, Portland, and Daugherty & Cole, agency, Seattle.

### Colorado Rehearing Denied

Every possible move to alter the recent decision of the Colorado supreme court in regard to payments of the state tax on mutual life insurance dividends has met with failure. The court last

## ACTUARIES

**DONALD F. CAMPBELL**  
CONSULTING  
ACTUARY  
160 N. La Salle St.  
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Consulting Actuaries  
Life Insurance Accountants  
Statisticians  
29 South La Salle Street, Chicago

**J. H. NITCHIE**  
ACTUARY  
1523 Association Bldg. 19 S. La Salle St.  
Telephone State 4992 CHICAGO

**HARRY C. MARVIN**  
CONSULTING ACTUARY  
2105 North Meridian St.  
INDIANAPOLIS, INDIANA

**FRANK J. HAIGHT**  
CONSULTING  
ACTUARY  
810-813 Hume-Mansur Bldg.  
INDIANAPOLIS  
Hubbell Bldg. DES MOINES, IOWA

**JOHNE. HIGDON** (Actuaries & Examiners)  
**JOHN C. HIGDON** 600 Gates Building  
Kansas City, Mo.

**T. J. McCOMB**  
COUNSELOR AT LAW  
CONSULTING ACTUARY  
Premiums, Reserves, Surrender Values, etc., Calculated. Valuations and Examinations Made. Policies and all Life Insurance Forms Prepared. The Law of Insurance a Specialty.  
Colcord Bldg. OKLAHOMA CITY

### MR. AGENT!

Do you care for QUALITY, not SIZE? Age, Sound Experience, Low Cost, a Splendid Record for over 67 years?

Then why not take a General Agency for

**THE ST. LOUIS  
MUTUAL LIFE**

OUR AGENTS AND POLICY HOLDERS  
STICK! WRITE THE HOME OFFICE

## MORE THAN 50%

of the business written by some of our larger agencies is a direct result of the Fidelity lead service. Our agents interview interested prospects—people who have written the Head Office for information.

Fidelity is a low-net-cost company operating in 40 states. Full level net premium reserve basis. Over Quarter of a Billion in force. Faithfully serving insurers since 1879.

**FIDELITY MUTUAL LIFE  
INSURANCE COMPANY, PHILADELPHIA**

Walter LaMar Talbot, President  
A few agency openings for the right man

Some executives in need of salaried employees go on expensive prospecting tours; others let an ad of this size and appearance bring applications to them. One inch, one column wide, one time, \$5.00.



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denied a rehearing of the case of *John Cochran*, state insurance commissioner, against the National Life of *Montreal*. The denial of rehearing definitely closed the case, making the company liable for collection of some \$10,000 in back taxes and a material increase in future taxation. Alteration of the present law, underwriters say, is the only method left for exempting dependents from the tax levy.

#### ACCIDENT AND HEALTH

#### ACCIDENTAL MEANS OR CAUSE

**Missouri Supreme Court Hands Down an Interesting Decision Involving Question of an Operation**

Accidental Means or Cause, Liability Insurance Company for Unexpected Death Resulting From Operation Without Accident—Defendant insurance company insured decedent against death injury suffered through accidental means or cause. Decedent's death was caused by a surgical operation voluntarily undertaken and performed in a skillful manner. There was no evidence of any mischance, slip or mishap nor of any unexpected, unusual or unforeseen occurrence during the performance of the operation. The surgeon testified that he could not do it better if he could do it over and that he did not think that anyone else could do it any better. The question was whether death was caused by accidental means within the meaning of the policy.

Held, that it was not. Assuming that the insured's death was caused by the operation voluntarily undertaken and skillfully performed in a skillful manner, the plaintiff must show that something unforeseen, unusual or unexpected and unintended occurred during the progress of the operation and that this something caused the insured's death. It is not enough that there be suspicion, guess, possibility or speculation that something unexpected, unusual or unforeseen occurred during the operation, nor is it enough to show that the result was unforeseen, unusual or unexpected. (Numerous conflicting authorities on this question were cited and discussed in the opinion). *Caldwell vs. Travelers Insurance Co.* Supreme Court of Missouri. Decided April term.

#### More Non-cancel Reserves

Much interest was taken in the table recently published showing the experience of companies on non-cancellable health and accident insurance. Premiums were given on 22 companies and losses for 20, but the column showing the extra reserve set aside on this class of business had many blanks for the reason that the figures were not available. The extra reserve given is in addition to the regular unearned premium reserve on disability business.

Figures on additional reserves are now available on five more companies. The *Travelers* has put aside \$259,587 on this class of business in addition to the regular unearned premium reserve, and the *Travelers Indemnity* has made a special reserve of \$9,599. The *European General* has an extra reserve of \$189,174 on this class, the *Massachusetts Accident* \$128,938, and the *Aetna Casualty & Surety* has \$39.

#### Contracts With "Post-Dispatch"

The *Federal Life of Chicago* has just closed a contract with the "Post-Dispatch," the leading daily newspaper of St. Louis, for the issuance of a travel policy similar to that issued through the *Chicago Tribune* and other papers in various sections of the country.

#### Murdered Man Heavily Covered

Dr. William A. Dillon of St. Louis, whose body was found on the campus of Washington University last week, carried \$25,000 of accident insurance. Detectives retained by the insurance companies are investigating the case.

## Making Postage Pay

The pulling power of the personalized letters, graphically illustrated by colored pictures, sent to prospects of Lincoln National Life agents, are getting results like these—

The Lincoln National Life:

Of the first twelve men I called on in following up the letters, I sold eight. They are the real thing.

L. M. Fluent,  
Hudson, Wisconsin.

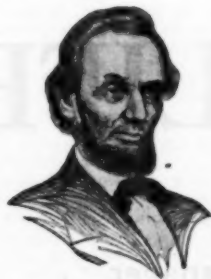
The Lincoln National Life:

Sold eleven out of fourteen calls in seeing the folks we sent the letters to. Being in new territory I could not have made the Minute Men Club without this help.

C. B. Rittenberry,  
Amarillo, Texas.

This circularizing campaign, helped by picture stories of life insurance service and speaking a language all can understand, offers another reason why it pays to

LINK UP WITH THE LINCOLN



## The Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Building

Fort Wayne, Ind.

Now More Than \$355,000,000 In Force

One of the policies for \$5,000 was taken out by Dr. Dillon but eight days before his death.

The companies carrying the policies are the Commercial Travelers Accident of New York, Union Mutual Casualty of Des Moines and the Mutual Life of Illinois.

Edward G. Dillon, 19 years old, son of the doctor, was named beneficiary under all of the policies. He has been arrested and was held pending a reopening of the inquest. Young Dillon declined to account for his movements the night of April 30, when his father is believed to have been murdered.

#### Indiana Department Approves

In last week's issue in connection with an explanation of the sale of 34,000 shares of stock of the Continental Assurance, the life insurance running mate of the Continental Casualty, it was stated that the Illinois insurance department has appraised the stock and fixed the figure at \$32.50 per share. This was in error as the appraisal was made by the Indiana department. The Continental Casualty is an Indiana corporation,

although its business is conducted from Chicago, its home office being Hammond, Ind.

#### Auto Club Gives Accident Policy

The Queen City Automobile Club of Cincinnati is furnishing its members with an automobile accident policy. The policy carries a premium of \$1 and is furnished to the members of the club without extra charge above the membership fee. The policy covers for automobile accidents only and carries \$500 principal sum and \$7.50 weekly indemnity for total disability for not exceeding 13 weeks.

#### Haughton Made Director

Ben Haughton has been appointed to fill the vacancy in the board of directors of the International Travelers of Dallas, Tex., caused by the death of W. L. Bickham. Mr. Haughton has been secretary-treasurer of the company, and will continue in this capacity. He is now first vice-president of the Health & Accident Underwriters Conference.

## NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest" and "Little Gem," Published Annually in May and April respectively. PRICE, \$3.50 and \$2.00 respectively.

### VOLUNTEER STATE SCHEDULE

New Rates Effective May 1, Show Substantial Reductions—New Forms Added

The Volunteer State Life has published a new premium schedule, effective May 1, which shows an average decrease in cost of 5 percent. The new rates show a substantial reduction on all plans except accelerated, special whole life and term, the rates on these

latter plans being unchanged. All regular limited payment life policies will be issued on the endowment at age 15 plan. A new preferred risk 20 payment life policy is offered. Both ordinary and 20 payment life on the preferred risk forms are issued for a minimum amount of \$5,000. Two sets of term and permanent disability benefit provisions are offered. Disability "A" provides for waiver of premium only in the event of permanent and total disability and disability "B" provides for a waiver of premium and an annuity of \$10 per month per \$1,000, the same as is now offered. Double indemnity premiums are not shown, but they will remain at \$1.50 per \$1,000 at all ages. The premiums on substandard business remain the same as at present. The company is also working out the details of a half rate policy which will be announced shortly.

The new premium schedule per \$1,000, without disability, is as follows:

Age	End at 85	20 Pay Life	20 Yr. End.	15 Pay Life	15 Yr. End.	\$2,000 (Pres.)
15.....	12.58	20.40	40.06	24.78	55.98	94.15
16.....	12.83	20.69	40.11	25.14	56.02	94.25
17.....	13.10	21.01	40.16	25.51	56.08	94.35
18.....	13.37	21.33	40.22	25.91	56.14	94.45
19.....	13.66	21.67	40.27	26.31	56.19	94.55
20.....	13.96	22.02	40.33	26.72	56.25	94.65
21.....	14.27	22.38	40.40	27.16	56.31	94.75
22.....	14.60	22.77	40.47	27.61	56.38	94.85
23.....	14.95	23.15	40.54	28.08	56.45	94.95
24.....	15.31	23.56	40.62	28.56	56.52	95.05
25.....	15.70	23.98	40.70	29.07	56.60	95.15
26.....	16.10	24.42	40.79	29.59	56.68	95.25
27.....	16.52	24.88	40.89	30.14	56.76	95.35
28.....	16.97	25.35	41.00	30.70	56.86	95.45
29.....	17.44	25.85	41.11	31.29	56.96	95.55
30.....	17.94	26.36	41.23	31.90	57.07	95.65
31.....	18.46	26.90	41.36	32.53	57.23	95.75
32.....	19.01	27.45	41.51	33.19	57.39	95.85
33.....	19.59	28.04	41.66	33.87	57.56	95.95
34.....	20.21	28.64	41.83	34.57	57.76	96.05
35.....	20.87	29.27	42.03	35.31	57.97	96.15
36.....	21.56	29.94	42.24	36.09	58.24	96.25
37.....	22.29	30.63	42.47	36.89	58.53	96.35
38.....	23.07	31.36	42.72	37.71	58.85	96.45
39.....	23.89	32.12	43.02	38.58	59.18	96.55
40.....	24.77	32.92	43.33	39.49	59.54	96.65
41.....	25.69	33.75	43.75	40.43	59.97	96.75
42.....	26.66	34.64	44.31	41.42	60.44	96.85
43.....	28.09	35.58	44.93	42.46	60.94	96.95
44.....	29.40	36.56	45.62	43.55	61.50	97.05
45.....	30.79	37.61	46.35	44.68	62.09	97.15
46.....	32.16	38.71	47.08	45.88	62.67	97.25
47.....	33.63	39.88	47.87	47.15	63.30	97.35
48.....	35.20	41.13	48.75	48.46	64.00	97.45
49.....	36.86	42.61	49.71	49.85	64.77	97.55
50.....	38.63	44.22	50.77	51.32	65.61	97.65
51.....	40.52	45.93	51.93	52.98	66.55	97.75
52.....	42.54	47.73	53.21	54.75	67.58	97.85
53.....	44.68	49.66	54.62	56.62	68.70	97.95
54.....	46.97	51.68	56.14	58.59	69.94	98.05
55.....	49.42	53.84	57.82	60.69	71.36	98.15
56.....	52.13	56.24	59.74	63.04	72.86	98.25
57.....	55.02	58.81	61.84	65.54	74.57	98.35
58.....	58.09	61.51	64.12	68.21	76.46	98.45
59.....	61.38	64.42	66.59	71.07	78.54	98.55
60.....	64.89	67.50	69.28	74.13	80.82	98.65
61.....	68.64	70.77	72.17	77.23	83.30	98.75
62.....	72.65	74.30	75.34	80.56	85.81	98.85
63.....	76.96	78.07	78.74	84.14	88.69	98.95
64.....	81.55	82.09	82.42	88.00	91.87	99.05
65.....	86.40	86.40	86.40	92.16	95.35	99.15

# 52.4%

of the new business issued by The Northwestern Mutual Life Insurance Company of Milwaukee, Wisconsin, in 1924 was upon applications of members previously insured in the Company.



The  
Policyholders'  
Company

Once a Policyholder—Always  
a Prospect.

**THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY**  
MILWAUKEE, WISCONSIN

W. D. Van Dyke, President

# ROCKFORD LIFE

For direct contract with Company, write to

**FRANCIS L. BROWN, Secretary and Manager**  
**ROCKFORD, ILLINOIS**

**MICHIGAN, OHIO AND MINNESOTA TERRITORY OPEN**

### CLASS ENDOWMENT METHOD

Aetna Life Gives Rules That It Will Follow in Writing Policies for Graduates

Endowment insurance on college senior classes has become so popular of late that Vice-President Kendrick A. Luther of the Aetna Life has sent circulars to all his general agents containing the rules under which the Aetna Life will accept such business.

"No medical examination is required except in states where the law demands one, and in that case only a short form is used," Mr. Luther says. "Arizona, Georgia, Idaho, Iowa, Massachusetts, Mississippi, Nebraska and Washington require the short form of medical ex-



mination, and a special form has been prepared by the company for those states. At least 50 students and at least 75 percent of the whole class must be insured. The minimum amount of insurance is \$250 and the maximum \$1,000. The premium for each policy must be at least \$5. The plan is limited to endowments or deferred endowments for 25 years or less, with or without disability and double indemnity, but without disability 3. Each student must be insured on the same plan. The beneficiary and life owner should be uniform and preferably an officer of the college."

#### Aetna Life

On policies which become claims in the future and are paid out under an optional mode of settlement, the Aetna Life will hereafter make a payment of excess interest as many times a year as the instalments are payable. The first payment of excess interest will be made with the first instalment. The explanation of the method shows amounts of interest which will be payable as long as the company maintains its present basis of 3½ percent guaranteed.

#### Gem City Life

The Gem City Life is now accepting applications for life and endowment insurance on all forms of policies except term, on the monthly premium plan. Monthly premiums will be determined by adding 6 percent to the annual premium and dividing by 12. The plan which has been adopted includes an arrangement for the payment of the premiums as they accrue through a bank or building and loan company.

#### Illinois Life

The Illinois Life announces that it will now be ready to grant insurance to applicants of both sexes down to the age of 10 last birthday. The policies will be the regular standard forms except that no extended insurance will be granted below age 15. A maximum of \$2,000 will apply between ages 10 and 15. The policy values and premium rates below the ages 17 are the same as for that age.

#### Catholic Foresters

The Catholic Order of Foresters adopted the American experience table in 1922. Since that time all new business has been written on that basis. For three years past dividends have been paid to members. The first was by skipping an assessment in March, 1923. In a similar way the monthly premiums for January, 1924, and January, 1925, were skipped.

#### Penn Mutual Life

The Penn Mutual Life has a new arrangement in its policies whereby self-supporting women, whether single,

widowed or divorced, may, if otherwise eligible, have the benefit of the total and permanent disability provision of life policies up to \$100 a month, provided their age is between 21 and 50.

This provision will not be available with term insurance and will not be granted to married women. The extra premium is the same as that charged to men. The provision will terminate in the event of marriage. Disability must occur before age 55.

#### Minnesota Mutual Life

Under a new rule just adopted by the Minnesota Mutual, all applications for policies after June 1 must definitely state the applicant's desire as regards the dividends, whether they shall be paid in cash, allowed to accumulate at interest or become paid up insurance. After June 1 no applications will be received by the company which do not carry the applicant's instructions as regards the dividends.

The company explains that this rule becomes advisable in order to improve office procedure and the collection of premiums. Aside from this the company says, it is desirable that the applicant have the various options explained to him by the agent who can do it better and more effectively verbally than the home office can do by any amount of correspondence.

#### Liberty Life

The Liberty Life of Topeka is getting out a new rate book.

#### Montana Life

The Montana Life has announced a salary deduction plan, which it has called a "thrift pool." The plan provides for small monthly premiums, deducted by employers from the monthly salary or wages. The minimum pool will be three policies for a total of \$20,000 or more, or ten policies for \$1,000 each or more. The monthly premium will be one-third of the quarterly. The regular policies of the company will be issued and the ordinary routine in application and delivery followed.

#### U. S. National L. & C.

The United States National Life & Casualty of Chicago has issued a new \$250 intermediate 20-year endowment policy, on which the annual rates are as follows:

Age	Prem.	Age	Prem.	Age	Prem.
10.....	\$11.99	24.....	\$12.54	38.....	\$13.61
11.....	12.05	25.....	12.58	39.....	13.74
12.....	12.10	26.....	12.62	40.....	13.88
13.....	12.16	27.....	12.67	41.....	14.05
14.....	12.21	28.....	12.72	42.....	14.21
15.....	12.27	29.....	12.78	43.....	14.40
16.....	12.31	30.....	12.85	44.....	14.61
17.....	12.34	31.....	12.91	45.....	14.83
18.....	12.38	32.....	12.99	46.....	15.07
19.....	12.40	33.....	13.07	47.....	15.32
20.....	12.42	34.....	13.17	48.....	15.61
21.....	12.45	35.....	13.26	49.....	15.92
22.....	12.47	36.....	13.37	50.....	16.26
23.....	12.51	37.....	13.48		

## WITH INDUSTRIAL MEN

### ENTERS INDUSTRIAL BUSINESS

Peerless Life of Kansas City in Weekly Field—President Maddox Former Metropolitan Superintendent

The Peerless Life of Kansas City, Mo., has recently started an industrial life department, writing all forms of industrial life with a special 10-pay life for children. This gives the company a life, accident and health department with a very complete line of insurance.

H. O. Maddox, president of the company, was 16 years with the Metropolitan, ten years of which time he was superintendent, which fits him particularly well for handling the industrial business. The company will confine its efforts to Missouri this year and branch out to other territory next year.

### Eureka-Maryland Promotions

The following promotions are announced by the Eureka-Maryland Assurance: Assistant Superintendent Henry of Baltimore to the superintendency at Cambridge. Superintendent P. H. Maginnis of Cambridge to a field supervisorship. Agent Rettew of Washington to assistant superintendency. Agent Mohan of Baltimore to assistant superintendency.

### NEWS OF THE PRUDENTIAL

Promotions and Changes in Various Fields—Many Honored for Long Service

Agent Jack O. Powell of the Nashville, Tenn., district has been promoted to assistant superintendent by the Prudential in the same district. Agents William R. Phillips and Earl C. Brown, of the New Orleans, La., district also received promotions to the same positions in their own districts.

Herman L. Greenberg and Eugene A. Noon, formerly agents at Dubois and Williamsport, respectively, were recently appointed home office inspectors.

#### Service Medals Given

Superintendent Denis J. Kelleher of Scranton, Pa. (2), and Agent Thomas R. Jones of York, Pa., have just passed their 15-year mark in continuous service, and have received the gold locket and certificate of class "C" of the Prudential Old Guard. Agent Frederick R. Stock of the Lancaster, Pa., district, recently completed 10 years' service and received the silver badge and certificate of class "B." Inspector George Moore rounded out 20 years of service with the company in April. Assistant Maurice Cooper of Duluth, Minn.; Vincent Budzyn-



**WE WRITE**  
all the forms of Life Insurance  
that a good agent  
**SELLS**  
or a good Company  
**WRITES**

**Continental Assurance Company**

910 S. Michigan Ave.

Chicago

**Central States Life Insurance Company**

St. Louis, Mo.

General Agency Openings in

**CHICAGO**

ILLINOIS

FLORIDA

All Ages up to 65.

Participating and Non-Participating.

Standard and Sub-Standard.

Disability and Double Indemnity.

ASSETS: \$6,500,000

INSURANCE IN FORCE \$65,000,000

## MUTUAL TRUST LIFE INSURANCE COMPANY

Of Chicago

- One Hundred Millions of insurance in force.
- Purely Mutual.
- Strictly full level premium legal reserve.
- Issues regular policies from ages 10 to 65.
- Writes a special Business and Professional Men's Policy.
- Issues a special Ordinary Life with many attractive conversion options.
- Writes Child's Endowments at all ages.
- Offers an attractive Income Bond Policy.
- Grants a new Disability clause, which is a winner.

For Agency Openings, Address the Home Office,  
The Chicago Temple Building, Chicago, Illinois

## Our Agents Have

A Wider Field—  
An Increased Opportunity  
Because We Have

Age Limits from 0 to 60.

Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i.e. Annual, Semi-annual or Quarterly Premium plan.

Participating and Non-Participating Policies.

Same Rates for Males and Females.

Double Indemnity and Total and Permanent Disability features for Males and Females alike.

Standard and Substandard Risk Contracts, i. e. less work for nothing.

We have openings in Ala., Ariz., Ark., Dela., D. C., Fla., Ga., Ill.,  
Ia., Kans., Md., Mich., Minn., Miss., N. M., N. C., Okla.,  
S. D., W. Va., Wyo.

## THE OLD COLONY LIFE INSURANCE COMPANY of CHICAGO, ILL.

B. R. NUESKE, President

The Company has its Home Office in its own building at 166 W. Jackson Blvd., running through to Quincy and Wells Streets, right in the heart of Chicago's Financial district.

ski, Detroit No. 2; Lewis A. Denny, Minneapolis No. 2, Minn., have joined class "E" of the Prudential Old Guard.

The steady growth of business in the New Britain, Conn. territory, which is operated from the Hartford, Conn., district of which John E. Mahar is superintendent, necessitated the appointment of John J. Degnan as assistant superintendent.

The following agents have entered into the various classes of Prudential Old Guard: F. B. Lewis, Elmira, class D; F. Lockwood, Watertown, class C; P. F. Barber, Niagara Falls, Class B; E. C. Knapp, Auburn, class B; H. M. King, Binghamton, class A; L. A. McMahon, Elmira, class A; A. L. Shay, Ithaca, class A; O. L. Creighton, Elmira, class A.

J. H. Olmsted, superintendent of Jersey City, N. J., district, recently tendered a dinner in celebration of his 25th anniversary. The entire district staff as well as several members of the home office staff were present.

When death, after a brief illness, unexpectedly, on April 21, took Superintendent Clyde R. Showalter of the Oakland, Cal., district, the Prudential lost a veteran superintendent, who, in his long insurance career had seen service in many parts of the company's field.

William E. Eckelmeyer, formerly an agent in the Cleveland No. 2 district, has been promoted to the position of assistant superintendent in the same district. Another assistantancy has been created at Woodbury, N. J., which is operated

from the Camden No. 2, N. J. district. Samuel G. Zaum, an agent in the district, has been promoted and placed in charge of the staff.

Andrew Kenny, an agent in the Chicago No. 3 district, has just completed 35 years of continuous service with the company and was recently admitted to class "G" of the Prudential Old Guard.

### Death of C. R. Showalter

Clyde R. Showalter, a veteran superintendent of the Prudential, who during the last 23 years had directed the operations of field staffs in Chicago, Denver, Milwaukee, St. Joseph, Mo., Muncie, Ind., and Canton, O., died April 21, at Oakland, Cal., where he had been superintendent since January, 1916. Mr. Showalter was 56 years old. He was in only a brief period.

Mr. Showalter joined the Prudential as an agent in Chicago, April 9, 1899. In January of the following year he became an assistant superintendent in the same city. Then he was transferred to Denver, where he served as assistant until he was promoted to the rank of superintendent and assigned to St. Joseph, Mo., September 29, 1902, as superintendent. Mr. Showalter directed field work in Milwaukee, Muncie and Canton before he was transferred to Oakland.

### Public Savings Changes

The Public Savings announces the following recent changes in the field. Agent E. Smith, Dayton, O., promoted to superintendent. Agent H. D. Priddy, Dayton, O., promoted to superintendent. L. L. Constantine, Detroit 4, transferred to Findlay, O. Superintendent E. J. Fath transferred to Piqua, O., taking charge of newly created superintendency. Agent E. W. Eversole, Hamilton, O., promoted to superintendent. Agent H. W. White, Detroit 4, promoted to superintendent. Agent A. Carignan, Detroit 1, promoted to superintendent. Superintendent A. Wilson of Detroit 1, transferred to Redford, Mich., to take charge of newly created superintendency. Superintendent R. Lindsay, Redford, Mich., transferred to Detroit 1.

### Visit Prudential Office

Eleven Canadian life insurance men, familiar with the methods and problems in the field, obtained their first view of the processes involved in handling a mass the affairs of nearly 15,000,000 policyholders while guests of the Prudential home office in Newark, N. J.

The visitors, members of the Prudential staff in St. Catharines, Ont., won a contest which is credited with having given their district the lead over all others of the Canadian division in the production of industrial insurance.

They were William Kennedy and A. E. Thomas, assistant superintendents under William J. Neal, superintendent of the St. Catharines district, and Agents A. E. Bauman, H. Brend, T. W. Carew, J. Manley, F. VanGorder, C. H. Doubrough, William S. Griffo, A. Swindley and C. A. Lounsbury. They were guests at the Newark Athletic club, and during the day, escorted by Arthur M. Clark, of the office supervisors division, visited all the departments in the four great buildings comprising the Prudential home office.

Their competitors were the staffs of the detached assistantcies at Niagara Falls and Welland, Ont., which form part of the St. Catharines district.

## FIRST QUARTER DEATH RATIO IS FAVORABLE

(CONTINUED FROM PAGE 3)

mobile fatalities. The death rate jumped from 8.1 per 100,000 in February to 14 in March. This is an increase of 71 percent over the rate for March, 1924.

More or less severe outbreaks of influenza were reported in New England, the middle west and Pacific coast. In New Hampshire conditions were quite serious. In many of the factories and mills of Manchester, approximately 10 percent of the employees were absentees as the result of the epidemic.

### Provident's Agency Convention

The agency convention of the Provident Life & Accident of Chattanooga will be held at Signal Mountain, Chattanooga, Sept. 24.



## LOUISIANA STATE LIFE

INSURANCE COMPANY

Home Office, Shreveport, La.

## TEXAS

J. C. EVERETT, Manager

317 Wilson Building Dallas, Texas

## ARKANSAS

J. E. LEEPER, State Manager

P. O. Box 1077 Little Rock, Arkansas

*We may have just what you are looking for. Why not get in touch with us?*

## Mr. Broker:—

Have you established an account with the Aetna?

We specialize in handling large lines of life insurance for brokers.

Broad sub-standard service.

The New Aetna Salary Budget Plan will increase your sales materially, and give you better contacts.

Get in touch with

S. T. WHATLEY, General Agent

## AETNA LIFE INSURANCE COMPANY

230 South Clark Street, Chicago

## Life Insurance Trusts

Is it a good thing for the proceeds of life insurance policies to be handled In Trust?

Life insurance companies and their agents are interested in the welfare of the Beneficiary, as well as the insured during his life. Where arrangements have been made for the insurance to be paid in a lump sum, it is manifestly a good thing for the Beneficiary to have the money cared for In Trust.

Almost every lawyer, banker and business man knows of cases where insurance money left for wife and children has been dissipated. Do you want yours to take this route?

One method is to have payments made by Annuities or Monthly Installments. Another satisfactory arrangement is to have the money go into Trust, administered through a reliable Trust Company or Bank Trust Department.

This subject is fully treated in the John Hancock book entitled "Estate Conservation and Life Insurance Trusts" which will be sent on request.

Over Sixty Years in  
Business. Now Insur-  
ing Over Two Billion  
Dollars on 3,500,000  
Lives.

*John Hancock*  
LIFE INSURANCE COMPANY  
OF BOSTON MASSACHUSETTS

## JOLIET

"The Best City in Illinois in which to Live"

At the 1923 convention of the Illinois State Realtors Joliet was voted the best city in the state in which to live. The convention was held in another city.

Joliet is one hour from Chicago with frequent express service. \$20,000,000 in wages are paid to the 65,000 people living in the county—40,000 of them within the city limits. They have \$8,350,000 deposited in Joliet banks.

A healthy, prosperous, growing industrial city, which offers a fine life insurance opportunity.

A Register Life General Agency Contract, a contract under which a good man can finance himself without hardship and without mortgaging his future, is open. Write in confidence.

## REGISTER LIFE INSURANCE COMPANY

Incorporated 1889

DAVENPORT, IOWA



Provident Building  
Owned by the Company

## Your Own Agency!

Every young man who has made good in the insurance field aspires to an agency of his own. There is opportunity for him in the twenty-one states served by this company.

## THE PROVIDENT

Life and Accident Insurance Company  
of Chattanooga, Tennessee

(Founded in 1887)

### Writes

Ordinary Life Insurance  
Accident and Health Insurance  
on the Commercial, Monthly Premium and  
Pay-Order Installment Plan  
Group Disability and Group Life Insurance  
Automobile Accident Insurance

#### SIGNIFICANT FACTS OF 1924

Premium Income.....	\$ 2,851,794.40
Gain in Premiums.....	307,496.44
Gain in Assets.....	418,043.97
Gain in Reserves.....	380,821.59
Gain in Life Insurance.....	6,843,166.00
Life Insurance in Force.....	22,544,399.00
Surplus and Reserves to Policyholders..	2,183,194.73

## NEWS OF LOCAL ASSOCIATIONS

### WILLIAMSON AT CLEVELAND

Chicago President Addresses Association Illustrating Sales Talk With Chart—Attendance 300

CLEVELAND, O., May 13.—W. W. Williamson, Chicago manager of the Phoenix Mutual, and president of the Life Underwriters' Association of that city, addressed the May meeting of the Cleveland association on the subject "Putting It Across." Nearly 300 were in attendance.

Mr. Williamson covered many interesting aspects of personal development and sales strategy. He showed himself to be an expert in making the approach on cold canvass, and illustrated the importance of watching details that enter unconsciously into the first impression we give a prospect.

#### Stick to Your Route

"The devil seems to try to keep us from calling on a good man; we can think of a thousand excuses for not seeing today. Learn to route your calls, and then, like salesmen in other lines, stick to your route.

"Although I find that I can only make five interviews in a day I try to always carry 20 good names with me, so I never run short of leads. Don't canvass in a circle; don't call on the same fellows too often. To break away from that I found I had to make two new interviews every day—three old and two new.

#### Most Sales Second Interview

"In going over my records I find I have made very few sales after the second interview. A few are made the first interview, most of them the second, and very few after that.

"Before I went into life insurance I hated it because of the way I had been sold. A man from a very prominent company came into my office and his approach was: 'Mr. Williamson, a \$10,000 contract at your age costs so much and you can have it for one-half.'

#### Show Your Goods

"You will improve your sales as you learn to expose your merchandise attractively. Are you ashamed of life insurance? Pull out an application blank as soon as you sit down to talk. Expose your contract. Expect to get it signed and have it ready.

"You've got to make a picture, give a heart-stroke and along with it a business proposition. I have found that the idea of an income interests the most people. Think of the widow and your commissions will take care of themselves."

#### Income Basis

Mr. Williamson stated that, although of course he does not sell all of his business on the income plan, he practically always builds his sales talk on the income basis. He illustrated his address with a large chart, going through a typical presentation he has found successful with the average buyer.

Kalamazoo, Mich.—Life insurance men and trust officers of local banks held a get-together dinner here last week under the auspices of the Kalamazoo association. Julius C. Peters, vice-president of the Detroit Trust Company, and E. E. Eastwood, special ordinary representative of the Western & Southern Life, were the principal speakers. Mr. Peters praised life insurance as a means of creating an estate and declared that insurance and trust companies fill entirely separate needs.

Waukesha, Wis.—Russell Thierbach, special agent with the home office general agency of the Northwestern Mutual Life in Milwaukee, was the principal speaker at the regular May meeting of the Waukesha County association. Mr. Thierbach talked on "Income Life Insurance," stressing the selling points of the income insurance plan as contrasted and compared with ordinary life lump sum payments.

### TWO LINCOLN HEAD-LINERS

Commissioner J. R. Dumont and Playgrounds Association Secretary Address Life Underwriters

LINCOLN, NEB., May 13.—J. R. Dumont, state insurance commissioner, divided time at the May meeting of the Lincoln Life Underwriters Association with Field Secretary Rogers of the National Playgrounds Association, speakers. Mr. Dumont expressed gratification for the endorsement given him unsolicited as a candidate for his position. He outlined some of the tasks he had undertaken, particularly in reference to the agency problem, and his efforts to clean up the unsatisfactory situation he found.

Mr. Rogers discussed the interest of life insurance companies in the health programs of his associations, and the connection between the business and the conservation of the free time of men. Playgrounds will take children off the streets and lessen the number of accidents. Healthful recreation will teach boys habits that they will follow as men, and thus reduce the death expenses of life companies. In spite of what medicine has accomplished in eliminating or minimizing certain diseases, more men are dying each year between 40 and 60, and all from diseases that have their seat in the region between the neck and the hips.

The machine has eliminated both fatigue and interest from the work of men, and as they now have more free time and more money to spend they are using both in an effort to get the thrill their fathers got out of the accomplishment of things with their hands out of pool halls, booze, girls, jazz and the other things that wreck health, and the insurance companies foot part of the bill.

Houston, Tex.—The only way to combat the part-time agent evil successfully is with publicity through the newspapers, direct to the public, like L. Hill, president of the Houston association, declared. At the last meeting the members of the association passed a resolution to eliminate this agent, because the association considered him a pest to the public and not a true representative of the life insurance profession.

"The most objectionable type is the country banker," he said. "He writes such business as comes in through his business associations and sometimes forces policies on others through club membership. The condition in Texas is especially bad because nothing has been done to stop the practice. All of the facts are before Commissioner Scott, but so far he has been unable to find a remedy."

The Houston association is going to do everything legally possible towards bringing penalties to those who violate the state statute, Mr. Hill added. Cancellation of license and heavy fines are provided for offenders of this law.

Minneapolis, Minn.—Fourteen new members were announced by the Minneapolis association at the regular monthly meeting May 13. Joseph Gallagher, assistant claims superintendent of the Northwestern Mutual of Milwaukee, was the speaker, his subject being, "The Claims Department as a Help to the Life Underwriter."

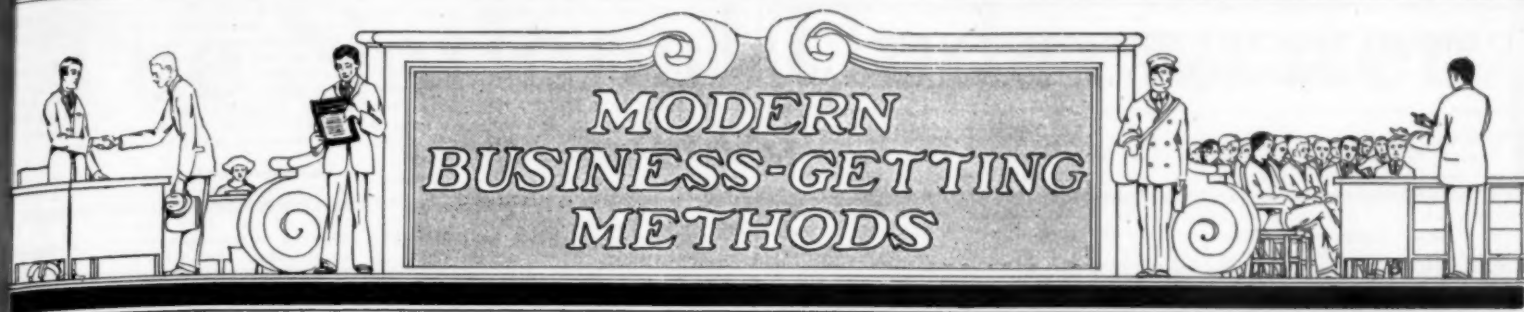
New York State—The New York State Life Underwriters Association will hold a meeting at Poughkeepsie, May 23, at which it is expected several problems of legislation will be considered.

Richmond, Va.—W. A. Searle, assistant to National President J. W. Clegg, was the guest of Richmond life underwriters Monday. He made a talk at their luncheon meeting outlining in detail some of the things that they were being accomplished by life underwriters associations throughout the country for the benefit of their membership as well as for the communities in general. Prior to the meeting he held an informal conference.

(CONTINUED ON PAGE 28)



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## Valuable Field in Bequest Insurance Is Shown by Marc A. Law of Chicago In an Analysis of Recent Case of His

MUCH has been written in recent years on the value of bequest insurance, but, beyond the writing of university endowment funds, this class of life insurance has been applied in few cases. Some life underwriters have taken it up with gratifying results, but on the whole, there has been a hesitancy about developing this branch of the business. Marc A. Law, associate general agent of the National Life of Vermont at Chicago, believes that the reason for this is that the average agent does not realize the ease with which this kind of business can be sold. Mr. Law formerly devoted practically his entire time to the sale of inheritance tax and business insurance, giving little attention to bequest insurance. Now, however, he finds this a profitable source of income and is developing it to his advantage. He has found its presentation a much simpler matter than he had believed it to be. As in the case of all specialty branches of life insurance, it requires more time and effort than the average small case, but it is a class of insurance that can be forcibly presented and sold with little difficulty, if the agent understands the proposition.

### Is Excellent Means of Adding Big Business

Mr. Law is a big producer and goes after big business. He is the leading producer throughout the country for the National Life of Vermont. He has paid for over \$1,000,000 of new business in the past seven months. He is now confident that he can add to this total by the writing of bequest insurance. One of his recent cases, the one which brought most forcibly to him the value and desirability of this class of business was the outcome of an inheritance tax approach. He had a valued client in Chicago to whom he had sold practically the limit on inheritance tax insurance. The policyholder's every need had been cared for in that direction. Mr. Law was looking for a new line of approach and discovered that this policyholder had included in his will a bequest of \$125,000 for various Chicago charities. He immediately grasped this as a lead for the sale which followed. He presented his case to the prospect and easily showed him the advantage in providing for this bequest through life insurance.

### Comparison Shows Saving Through Life Insurance

In order to clearly present the case, Mr. Law drew up three statements to show the three forms under which the bequest could be carried out. One showed the plan as then arranged by the prospect, a straight bequest in the will. The second plan showed Mr. Law's suggestion for a life insurance bequest and the third plan showed the result if the prospect carried out a trust fund himself, investing in sound securities, rather than taking advantage of the life insurance. The latter plan was presented, as Mr. Law has found this to be the chief objection raised by a prospect who is approached on bequest insurance. Invariably, the prospect will suggest that

he take the premium money and invest it in gilt edge securities, establishing the bequest fund himself. Mr. Law has shown that it is not only taking a chance with the accomplishment of the transaction, but actually costs more, even if the individual lives his full life expectancy.

### Insurance Plan Saves \$100,000 for Estate

The case which Mr. Law analyzed was a woman aged 58. The prospect's income is about \$70,000 from an estate of about \$3,000,000. That figure was taken for the illustration though the income is actually larger. As shown under plan A in the subjoined table, the income tax reduces the income to \$58,423. The inheritance tax would reduce the estate by \$681,000. After deducting the bequest of \$125,000, the prospect would have a net estate of \$2,194,000. There would, however, be an inheritance tax saving on the bequest of \$125,000, amounting to \$28,750, thus the net estate, after paying taxes and providing for the bequest, would be \$2,222,750.

If the prospect cared for this bequest through life insurance, there would be a saving to the estate of nearly \$100,000. As shown in plan B, the \$125,000 life insurance for this risk would cost \$6,526 annually, reducing the income to \$63,474. The income tax, after allowing for a saving of \$1,957 due to the insurance premium being deducted, would be \$9,620. This results in a net income of \$53,854. Thus the net income is reduced

by only \$4,500, although the insurance premium is \$6,526 annually. In addition, the inheritance tax is the only deduction to be made from the net estate, leaving a net estate of \$2,319,000, or nearly \$100,000 more than provided by the will.

### Could Not Carry Out Plan by Self

If the prospect were to attempt to carry out the investment herself, even with the most liberal allowance for investment returns, the result could not equal those under the life insurance plan. If the same amount is to be invested annually in tax free bonds, accumulated at 4½ per cent compound interest annually, the net income would be reduced to \$53,863. Granted that the prospect would live her full expectancy of 15 years, the addition to the net estate would be \$99,212. The inheritance tax would be increased by this addition to \$703,000. The bequest would have to be deducted from the estate, leaving a net of \$2,271,212. Allowing for the inheritance tax saving on the bequest, the net estate would be \$2,299,962, or \$20,000 less than under the insurance plan.

### Uses Community Chest to Good Advantage

Mr. Law further pointed out that he favored making the policies payable to a community chest. In this \$125,000 case they made it payable to the Chicago community chest and drew up an agreement with the latter organization by which the annual income from the trust fund thus established would be payable to the various charities designated by the prospect. Incidentally he found one of the charities was an unorganized charity and payments direct to that charity could not be considered as

an exemption under the income tax law. By the creation of this trust, a perpetual trust is established in the name of the donor and the annual income is paid to the designated charities as long as they exist or continue to perform their duties in an approved way, provisions for contingent beneficiaries being included. Mr. Law believes such a plan is preferable in any community where there is a community chest, as it not only provides a perpetual trust in the name of the donor, but prevents the immediate use of the principal as well as the income. This perpetual income plan would not, of course, apply in the case of a bequest intended to apply to a building fund or any other charitable fund that would require immediate cash disbursements of the total amount.

### Two Ways of Handling Life Insurance Bequests

There are two principal methods of handling life insurance bequests. Under one method, the insurance may be on the straight life plan providing for payment to the institution selected at the death of the insured. To conform with the rulings all rights under the policy must immediately be given to the institution which is the beneficiary. The institution thus has as an asset a constantly growing cash value and realizes the full amount of the policy at the death of the insured.

Another way the provision can be handled is under the endowment plan which makes for the possibility of payment during the insured's lifetime. Mr. Law points out that a man 40 years old can carry a \$100,000 policy under the 25 year endowment plan for an average of about \$4,000. With the income tax saving, the actual cost of the insurance would be about \$2,800. In 25 years, or at his time of death, the sum of \$100,000 will be paid to the institution he has selected. He might thus have the satisfaction of seeing the money actually paid during his lifetime. Mr. Law shows that \$2,800 per year, invested at 5 per cent compound interest, which would be difficult of attainment in any investment market, would amount to only \$97,000 at the end of 20 years.

One of the especially attractive features of the insurance bequest is the fact that the actual annual cash outlay is greatly reduced by the income tax savings. Under the 1924 revenue act, the premiums on life insurance payable to religious, charitable and educational institutions are a deductible item from the gross income subject to the 15 per cent limit on all contributions. Furthermore, in some states the charitable or educational bequests are not subject to inheritance taxes and there is also a federal estate tax exemption on the part of such bequest.

Mr. Law points out, however, that in Illinois there is a heavy tax on bequests to charitable or educational institutions not incorporated in Illinois. Thus a bequest to Harvard university, for instance, by a resident of Illinois, might be subject to a tax of 30 percent, depending upon the size of the bequest and the amount of other bequests. Such a bequest can be made by insurance free from Illinois taxes. Mr. Law suggested it might be better to make such a bequest for life insurance, free from tax, and take care of bequests to relatives out of the estate, as the rate on such bequests is much lower.

## SAVING THROUGH INSURANCE BEQUEST

### PLAN A

#### Bequest by Will

\$125,000 for charitable purposes to be deducted from estate.	
Income .....	\$ 70,000
Income Tax .....	11,577
Net Income .....	58,423
Estate .....	3,000,000
Inheritance Tax .....	681,000
	2,319,000
Less bequest .....	125,000
	2,194,000
Plus inheritance tax	
Saving on bequest .....	28,750
Net Estate .....	\$2,222,750

### PLAN B

#### Life Insurance Bequest

\$125,000 life insurance to be carried for charitable purposes.	
Income .....	\$70,000
Insurance premium ..	6,526
	63,474
Income Tax ....	\$11,577
less saving ...	1,957
Net Tax .....	9,620
Net Income .....	53,854

Estate .....	\$3,000,000
Inheritance Tax .....	681,000
Net Estate .....	\$2,319,000

### PLAN C

#### Annual Self-Investment

Use equivalent amount for accumulation at 4½ percent compound interest tax free.	
Income .....	\$70,000
Income Tax .....	11,577
Net Income .....	58,423
Less Investment .....	4,568
	53,863
Estate .....	\$3,000,000
Plus proceeds of investment \$4,568 for 15 years at 4.5 percent .....	99,212
	\$3,099,212
Inheritance Tax on \$3,000,000 .....	\$681,000
on 99,212 .....	22,000
	703,000
	\$2,396,212
less bequest .....	125,000
	\$2,271,212
plus inheritance tax saving on bequest ..	28,750
Net Estate .....	\$2,299,962



## COMPANY PRACTICE ON CONSERVATION SUMMARIZED BY RESEARCH BUREAU

**T**HE Life Insurance Sales Research Bureau has issued a new brochure entitled "conservation principles and methods," which gives a most comprehensive analysis of this phase of agency work. The 56 pages of the book are devoted to a presentation in logical order of the solutions thus far found by the companies. It is a remarkable evidence of the cooperation which the Bureau secures from its members that 61 companies contributed their experience to the report. Of these companies, thirteen have over \$400,000,000 in force and fourteen have less than \$50,000,000, while the others range in size between these two groups. As the foreword says—"The whole group of companies includes a wide representation of young and old, American and Canadian, eastern and western, stock and mutual, branch office and general agency companies."

### Outline Company Plans

The report is divided into three main parts, home office prevention work, home office reinstatement work and organization of conservation work in the home office. Each main division is subdivided into various chapters, such as the prevention work which is carried on through the agents or direct with the policyholders.

In the matter of training the agent to regard persistency as of vital importance, the report says: "The value of persistency should be brought to the attention of the new agent as soon as he has become part of the company organization. It is to both the company's and his own advantage that he have a definite knowledge of how careful thought and attention in selling life insurance will influence his future earnings. When the prospective agent has discussed life insurance as a career with the local agency manager, he has been impressed with the financial returns available over a period of time. At the outset an agent should be made to feel that renewal commissions are not entirely payments for past work but are given to him in return for the service he is expected to render his policyholders. A part of the agent's manual may properly be devoted to this end."

### Lists Conservation Points

Further points in selling business that "sticks" are enumerated:

1. Sell the policy best suited to the needs of the prospect.
  2. Make a careful selection of the premium due date and arrange the premiums so as to fall when the policyholder has money—a point of particular importance in many farming sections.
  3. Explain carefully the provisions of the policy. Some agents attach to the policy a short typewritten summary.
  4. Secure an initial cash payment.
  5. Do not overload the policyholder.
- Striking evidence of the way companies are emphasizing persistency is given in the list of articles which they publish in their house organs on the general topic. It is here that many companies show agents how to keep in touch with their policyholders, how to use arguments against lapse, and the amount of commissions lost by lapsed business. Other bulletins carry lists of agents given in order of their persistency records.

### Gauge Commissions by Renewals

Numerous companies are now inserting in agent's contracts both penalties for excessive lapse and rewards for good records. So far as reward goes, the Bureau found a number of companies which pay a higher first renewal commission than that paid on later premiums, this being for the reason that it is then that the severest lapse occurs. Many companies provide that if a policy lapses and is not revived within a certain time by the agent himself—usually not

over six months—that the agent loses all future renewals. If reinstatement is effected by another agent, most of the companies give all future renewals to him. One company stated that in order to persuade agents working in country districts to go to the trouble of reinstating the business of other agents that it offered one renewal of 20 percent.

### Lapses Affect Club Membership

Most agency clubs have, in the past, been based on volume of business but the report brings together some very practical ways in which companies are introducing into requirements for club membership several different matters concerning lapses. One company states that an agent cannot belong to the club unless he has renewed 70 percent of the business written during the preceding calendar year—another has what it calls its conservation club, membership in which is open to general agents, soliciting agents and cashiers—a group of other companies gives various prizes and honors for good records—another group makes the allowances given to general agents dependent on the lapse record of the agency.

### Home Offices Cooperate

It is interesting to find how many companies endeavor to strengthen the relations of the company with the policyholder by direct effort from the home office. This begins in some companies by the despatch of a letter over the signature of an officer welcoming the new member—another sends an embossed card saying that the policy is being considered at the home office—others make use of the policy envelope to impart information concerning the policy. Other letters or bulletins sent to policyholders include birthday cards or calendars, company's annual statement, and policyholders' issue of the house organ.

A number of companies have organized so called policyholders' service departments, the duty of which is to render service of many kinds such as—"How to keep well, how to keep a policy in force, how to save and spend wisely, how to name the beneficiary properly, how to protect the beneficiary against loss of the insurance money, how to adjust and manage the family income—this is what your company's service means to the policyholder and his family. It may be had for the asking."

### Suggests Forms of Service

One company goes to the extent of making suggestions to its field force on what forms of service may be rendered to policyholders. Included in this list are—changing the beneficiary when desirable, change of address, modes of settlement at maturity, helping policyholder to reduce loans, converting term policies.

One way in which many policyholders have lost all personal contact with the company is by changing their residence and thus making it impossible for a local agent to call on them unless he is advised of their presence in his territory. Numerous plans are now being used to keep in personal touch with all policyholders wherever located.

Many different kinds of premium notices are reproduced in the report, most of which attempt to drive home in a tactful way the desirability of avoiding lapse.

### Give Reinstatement Plans

The second main division of the report deals with the methods employed if, despite all the company's efforts, the policy is actually allowed to drop. Here again the work of the home office is divided between what is accomplished through the agent and what is done direct with the policyholder. In the latter field, companies use various types of letters and notices, many of which

are reproduced to indicate the numerous angles which can be stressed.

The concluding section of the report deals with the organizing of conservation work in the home office. This is done in the belief that many things of a conservation nature are done in many offices without a definite plan and often without proper relation to the other efforts of various departments. This is sometimes found to be the case with the records which the company keeps on lapses. If these are not properly understood by the department which sends out material to the field, it often happens that their use is restricted far more than is desirable.

### Ask More Emphasis

Taking the whole problem of conservation, the Bureau states that it believes many companies have not given the emphasis to prevention or lapses which is desirable and furthermore that far better results will be obtained if all conservation efforts are properly related. In conclusion, the report says—"Control and coordination are vital factors influencing modern business today. It is through control and coordination that the product is made, sold, delivered and paid for with the minimum of waste. The need for a full realization of the importance of these factors is present in the conservation work of every life insurance company, but such recognition has not generally been given. There is a direct relationship between the work to be done in prevention and that attempted in reinstatement. The agency, medical, policy loan, actuarial, statistical, and other departments are all interwoven in the conservation structure. To coordinate the activities of these departments and to direct them along a definite well defined channel requires careful planning in the home office. Such action is not only advisable but essential."

## REPORT WILL SOON BE MADE

**Ernst & Ernst Have About Completed the Audit of the Inter Southern Life of Louisville**

LOUISVILLE, KY., May 14.—Officials of the Inter Southern Life of this city state that the audit report of Ernst & Ernst on the company is expected to be fully completed within a few days. It is anticipated that this report will be an entirely satisfactory one and the company will give full publicity to it in view of the charges which have been made against the management. Another audit report on the Inter Southern building operations is also expected to be soon ready and to be equally satisfactory to the management.

## LOCAL ASSOCIATIONS

(CONTINUED FROM PAGE 25)

with the executive committee of the Richmond association and managers of companies. During the conference he voiced the opinion that dues of the local association were too low, and urged that they be increased so as to create a fund for constructive work. Members of the committee as well as the managers expressed themselves in favor of such a move. This subject was not brought up, however, during the luncheon-meeting that followed. J. E. Woodward, president, was directed to appoint a nominating committee to submit a report at the annual meeting in June recommending officers to be elected for the ensuing year.

**New York.**—The membership drive of the New York association, conducted in the form of a derby, resulted in 203 new applications. Originally the membership committee planned to work for 100 new applications, but the enthusiasm with which the members or "jockeys" entered into the spirit of the contest raised the goal, and all previous records were shattered in the drive. Practically everyone on the committee contributed some part to the making of this record.

**Philadelphia, Pa.**—The annual meeting of the Philadelphia association will be

held this week. The election will be followed by the annual banquet and induction of officers in the evening. The speaker of the evening will be William I. Schaffer, justice of the supreme court of Pennsylvania, a gifted orator. Roder, president of the association will preside. This will be the last association meeting until the fall season.

**Oklmulgee, Okla.**—At the May meeting of the Okmulgee association, D. J. Irwin, presiding, business insurance was the topic of the day, discussed by W. J. Warren of Oklahoma City. The speaker emphasized the need, the purpose and advantages of corporation and partnership insurance.

**Beloit, Wis.**—Fred Zweifel was elected president, and J. E. Knight, secretary and treasurer of the Beloit association at the organization meeting. In addition to the officers elected, an advertising committee composed of Fred Zweifel, J. R. Schuster and C. F. Kindschi was selected to handle the proposition of increasing life insurance business in the city through an advertising program. The organization is the outgrowth of a previous association of life underwriters and will hereafter meet regularly the first Monday of every month.

**Louisiana.**—The life insurance school to be conducted under the auspices of the Louisiana association at New Orleans will open Monday afternoon. The school will be in charge of R. L. Taylor of Memphis, lecturer on the science of salesmanship and business efficiency, and a practical insurance man. Mr. Taylor recently conducted schools at Memphis and Little Rock and life underwriters in both cities are very high in their praise of Mr. Taylor's work.

Fifty life men have already enrolled for the course and indications are that when the class starts that number will be exceeded. Peter Epes, general agent of the Fidelity Mutual Life at New Orleans, as chairman of the educational committee of the local association, has been very active in arranging the course.

**Saginaw, Mich.**—James E. Kavanagh, second vice-president of the Metropolitan Life in charge of the industrial service bureau and group life division of the company, gave an inspiring address on "Getting Signatures" before Saginaw Association last week.

"An agent is doing a man a tangible favor when he sells him life insurance," said Mr. Kavanagh. "He is teaching him thrift and self-denial and is actually doing more for him than almost anyone else with whom he has dealings." The speaker praised the profession.

H. W. Becker, Grand Rapids agent, spoke on the maintenance of friendly relations between agents and company officials. Fred L. Bliss and W. L. Burchell, local association members, presided.

Mr. Kavanagh also addressed the local Kiwanians on "Good Will in Industry." The association will hold its annual picnic and final meeting of the year at Linwood Beach, June 13.

**Duluth, Minn.**—"To insure against direct losses as well as direct losses is the new aim of insurance companies." So Dr. S. S. Huebner, professor of insurance in the Wharton school of the University of Pennsylvania, declared in an address before the Duluth association and a large number of life underwriters. Professor Huebner stated that the business of insurance is still in its infancy, stating there was still more to learn about it. He discussed insurance against indirect losses, purpose of insurance in business affairs, life insurance, protection of property by insurance, criticism insurance companies receive because they paid one-half of their income yearly toward claims.

**Davenport, Ia.**—The one-day sales congress under auspices of the Davenport association was attended by 150 agents from eastern Iowa and western Illinois. S. W. Sanford, president of the association, presided and Paul C. Otto, former local agent now in Rockford, discussed "Programming." Edson N. Coleman, Davenport, talked of "plugging the Holes in the Agent's Pockets." J. G. Smith told of "Disability Provisions." Guy Doud described the "Successful Life Insurance Man," and George Harding spoke of "Income Settlements." At the banquet concluding the event, Frank H. Throop, publisher of the "Democrat," told of his experiences with life insurance men and advertising problems. He was the principal speaker at this meeting and Harry J. McFarland was toastmaster. There was a musical program.